



Northern Ireland  
Assembly

## Research and Information Service Briefing Paper

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**Eóin Murphy**

# Costs of Special Educational Needs Provision for ages 16 - 25 in England and Wales

This paper is prepared at the request of the Committee for Employment and Learning (CEL). It examines the financial costs of the 16+ Special Educational Needs (SEN) and Learning Disability Assessment (LDA) support provided in England and Wales.

This information is provided to Members in support of their Assembly duties and is not intended to address the specific circumstances of any particular individual. It should not be relied upon as legal or professional advice, or as a substitute for it. A suitably qualified professional should be consulted if specific advice or information is required.

## Key Points

- Prior to 2000, the Special Educational Needs (SEN) system in England and Wales operated in a similar manner to that in Northern Ireland (NI) as it is now;
- The system in England and Wales was reformed in 2000 with the introduction of the *Learning and Skills Act 2000*. The 2000 Act introduced support and assessments for those aged under 25 who may have a learning disability and wish to take part in post-16 education and training;
- For those aged over 16, but under 25, the 2000 Act made it possible to have a Learning Disability Assessment (LDA);
- In 2012, there was a National Audit Office (NAO) review of the funding for post-16 SEN and LDA in England. The review's findings identified three funding streams and the funding provided to each in 2009/10:
  1. The SEN Block Grant: £189 million;
  2. Additional Learning Support (ALS): £241 million; and,
  3. Specialised Placements Budget: £211 million.
- In total, £640 million of funding was provided to support post-16 SEN and LDA in 2009/10 in England;
- In 2014, Deloitte carried out an extensive review of the support provided to people with SEN and Learning Disabilities or Difficulties (LDD) in Wales. The review covered the years 2011 to 2014;
- Deloitte identified a number of stakeholders in Wales which received funding in order to support SEN/LDD, and the level of funding provided in 2013-14:
  - The Welsh Government: £10.4 million;
  - Local Health Boards (LHBs): £14.7 million;
  - Local Authority Social Services (LASS): £6.1 million;
  - Local Authority Education (LAE): £138.4 million;
  - Individual Schools: £176.2 million;
  - Further Education Institutions (FEIs): £7.5 million;
  - Careers Wales: £0.7 million; and,
  - Special Educational Needs Tribunal Wales (SENTW): £0.1 million.
- It should be noted that the costings are not disaggregated by age and as such it is not possible to provide a clear picture of the Welsh Government's spend on post-16 SEN and LDD;
- However, it is possible to identify some spend based on services that only provide support to those aged over 16. As such, Wales spent at least £24.2 million on support for those aged 16+ with SEN and LDD in 2013-14;
- There is a large difference in the costs for SEN and LDD support in England and Wales. It is not possible to compare the two directly as a result of the differences in

the data provided by the two reports, although the variance in the scale of costs can in part be ascribed to population sizes. England has a significantly larger population than Wales and as such would have a greater number (but not necessarily proportion) of people with learning disabilities in need of support;

- Review of the available data on financial costs of post-16 SEN and LDD in Northern Ireland found that information was available for the DEL support in FE. However, this data was only available for people with learning disabilities and/or disabilities and no disaggregated data was found. In addition, it was not possible to identify data for post-16 SEN support in schools as a result of the methodology used to deliver funding;
- Both the NAO and the Deloitte reviews appear to be the most comprehensive, available reviews of the incurred costs for these systems. However, both reports highlight the lack of some information on SEN costs due to differences in data collection methods used by the relevant authorities and complications caused by the funding models within the systems – for example the NAO found that there was good information covering expenditure on higher-level ALS and placements with independent specialist providers, but total expenditure on supporting students with special educational needs was not known;
- The CEL may wish to note the following:
  - The SEN system as it existed in England has been criticised for being complex and difficult to navigate. The CEL may wish to note this in its consideration of the amendment to ensure any potential changes to the system do not result in a complicated system for people with LD/SEN and their parents/guardians; and,
  - The CEL may wish to ask DEL and DE if there is a need for a review of NI's system, given the reforms underway in Wales and the changes in the system in England in 2014.

## Introduction

This paper is prepared at the request of the Committee for Employment and Learning (CEL). It examines the financial costs of the 16+ Special Educational Needs (SEN) and Learning Disability Assessment (LDA) support provided in England and Wales.

The paper is broken into the following sections:

- **Section 1:** A brief discussion of the existing system in England and Wales;
- **Section 2:** Costs of the system in England;
- **Section 3:** Costs of the system in Wales;
- **Section 4:** A discussion of the available costs of the system in Northern Ireland; and,
- **Section 5:** Discussion and any issues of consideration to Northern Ireland (NI).

## 1 The Special Education Needs Systems in England and Wales

Prior to 2000 the SEN system in England and Wales operated in a similar manner to that currently in existence in NI.

However, the system was reformed in England and Wales in 2000, with the introduction of the *Learning and Skills Act 2000*. This introduced support and assessments for those aged under 25, who may have a learning disability and wish to take part in post-16 education and training.

Section 1.1 below discusses the introduction of LDAs in England and Wales.

### 1.1 The Introduction of Learning Disability Assessments

*The Education Act 1996* sets in law that a child must receive special education provision, if s/he has SEN, with a child defined as:

*Any person who has not attained the age of 19 and is a registered pupil at a school.*

This is similar to the current NI provision.

LDAs were introduced in England and Wales under the *Learning and Skills Act 2000*, Section 140.

This introduced an amendment to the *Education Act 1996*, as amended, expanding provision to include those who have left compulsory school. It prescribed a statutory duty for Local Authorities (LAs) to carry out an assessment of needs for those who: are under the age of 25; appear to have a learning difficulty; and, are receiving or are likely to receive post-16 education or training or higher education. Such an assessment should be carried out during an individual's last year of compulsory school or for those who have left compulsory school, but who are under 25.

As stated by the National Audit Office (NAO):<sup>1</sup>

*The Department for Education sets the policy framework for special education in England, including for young people aged 16–18 (and 19–25 for those with Learning Difficulty Assessments).*

As such, support was now available for those aged up to 25 - Statements of SEN for children in compulsory school and LDAs for those aged 16 - 25.

As stated by the Public Accounts Committee (PAC) in the House of Commons:<sup>2</sup>

*In schools, young people with high-level needs receive a Statement of special educational needs, which they will usually retain if they remain at school after the age of 16. Those with a Statement who choose to leave school and pursue education or training elsewhere should receive a Learning Difficulty Assessment.*

In 2012 approximately 250,000 children and young people in England had statements of SEN or an LDA at any one time.<sup>3</sup>

For school age children, pupils with SEN were divided into three groups based on the level of provision needed:<sup>4</sup>

- **School Action:** Where extra or different help is given from that provided as part of the school's usual curriculum;
- **School Action Plus:** Where the class teacher and the Special Education Needs Coordinator (SENCO) receive advice or support from outside specialists (a specialist teacher, an educational psychologist, a speech or language therapist or other health professionals); and,
- **Statement:** A pupil has a statement of SEN when a formal assessment has been made. A document setting out the child's needs and the extra help s/he should receive is in then put in place.

For those aged over 16, LAs have a duty to carry out a LDA on anyone who previously had a SEN statement or whom they believe may need one. The definition of learning difficulties is similar to that of SEN for school aged children.

In England, LDAs were the responsibility of local authorities, as explained below:

*Having determined that a young person requires a LDA a local authority must continue to support the young person up to the age of 25 if they stay in further education or training (provided they still have learning difficulties).*

<sup>1</sup> National Audit Office, 4 November 2011, Oversight of special education for young people aged 16-25

<sup>2</sup> House of Commons, 24 February 2012, Oversight of special education for young people aged 16-25, <http://www.publications.parliament.uk/pa/cm201012/cmselect/cmpubacc/1636/163605.htm>

<sup>3</sup> Department for Education, October 2013, Consultation on transition to Education, Health and Care plans and the local offer, <https://www.education.gov.uk/consultations/downloadableDocs/Transitional%20arrangements%20document.pdf>

<sup>4</sup> National Audit Office, 4 November 2011, Oversight of special education for young people aged 16-25, <http://www.nao.org.uk/report/oversight-of-special-education-for-young-people-aged-16-25/>

The *Apprenticeships, Skills, Children and Learning Act 2009* introduced a further amendment to Section 13 of the *Education Act 1996*, as amended, which altered the provision for Further Education (FE) slightly, with further education available to those who are aged 19 or over, but under 25 and subject to LDAs.

It should be noted that in Northern Ireland the *Further Education (Northern Ireland) Order 1997* requires that:<sup>5</sup>

*The Governing Body of an Institution of Further Education shall have regard to the requirements of persons over compulsory school age who have learning difficulties.*

In addition the *Special Educational Needs and Disability (NI) Order 2005* (or SENDO) required FE Colleges to make adjustments to allow people with Learning Disabilities and/or Difficulties (LDD) access FE courses.

Please see RalSe Briefing Paper NIAR 68-2015<sup>6</sup> for further information on the SEN and LDA systems in operation in England and Wales and NIAR 505-2013 and NIAR 937 - 2013<sup>7</sup> for Northern Ireland.

## 2 Operation of Funding Model in England

The SEN and LDA funding system in England was reformed in 2014. However, for the purposes of this paper, the information provided will focus on the system as it operated between 2000 and 2014.

Prior to the 2014 reforms, the DE had overall responsibility for special education. Delivery, however, was devolved, with the system managed by a number of organisations, namely:<sup>8</sup>

- **The Young People's Learning Agency (YPLA)**<sup>9</sup>: Funded education and training for all young people aged 16–18, and of 19- to 25-year-old students with LDA. The YPLA also monitored the financial health, quality and performance of the providers it funds, including academies;
- **The Skills Funding Agency (SFA)**: Funds and regulates further education and skills training, and funds Additional Learning Support (ALS) for 19- to 25-year-olds without LDAs; and,
- **Local Authorities**: Responsible for children and young people's education and welfare in their area. They fund and monitor the quality, performance and financial

<sup>5</sup> Correspondence to the Committee for Employment and Learning from the Department for Employment and Learning, 18 June 2015

<sup>6</sup> RalSe, Murphy, E 15 April 2015, Paper on a Possible Amendment to the Special Education Needs and Disability Bill, <http://www.niassembly.gov.uk/globalassets/documents/raise/publications/2015/del/5215.pdf>

<sup>7</sup> RalSe, Murphy, E, 5 March 2014, Post-Secondary Provision for People with Special Education Needs in Northern Ireland, [http://www.niassembly.gov.uk/globalassets/documents/raise/publications/2014/employment\\_learning/3914.pdf](http://www.niassembly.gov.uk/globalassets/documents/raise/publications/2014/employment_learning/3914.pdf)

<sup>8</sup> National Audit Office, 4 November 2011, Oversight of special education for young people aged 16-25, <http://www.nao.org.uk/report/oversight-of-special-education-for-young-people-aged-16-25/>

<sup>9</sup> The YPLA has since been abolished and many of its functions taken on by the Education Funding Agency

health of maintained mainstream and special schools, and work with schools and academies to ensure proper assessment, monitoring and provision for students with SEN. Local authorities directly fund support for Statements in special and mainstream schools and academies for students up to age 19.

As stated by the NAO:

*These complex arrangements in part reflect the different statutory and accountability frameworks for the wider post-16 education system.*

The PAC found that there were three main funding streams for post-16 special education support, mainly delivered by the YPLA:<sup>10</sup>

- **The Special Educational Needs Block Grant:** Targeted at students in school and academy sixth forms with a Statement of SEN. The Block Grant is provided to LAs by the YPLA who then disseminate the funding to schools and academies;
- **Additional Learning Support (ALS):** Distributed by the YPLA and in some cases by the SFA, ALS supports students aged 16 – 25 with both higher and lower level ALS needs; and,
- **Specialised Placements Budget:** Supplied by the YPLA this is provided for students aged 16 – 25 with LDA. The majority of the funding goes to provide placements at Independent Specialist Providers (ISPs).

Appendix 1 provides a diagram of this funding process in 2010/11.

Table 1 on the page following details the providers, student numbers and funding for 16 – 25 special education in 2009/10 as per the NAO.<sup>11</sup>

As can be seen in Table 1, **30,289** students with higher level needs were identified as having received support from the five provider types listed, with funding of **£506 million** received for 2009/10.

A further **116,484** students with lower level needs (i.e. no Statement or LDA) received support funded to **£135 million**.

In total, and as stated by the PAC:<sup>12</sup>

*The Government spent **£640 million** on special education for 16- to 25-year-olds in 2009-10.*

<sup>10</sup> House of Commons, 24 February 2012, Oversight of special education for young people aged 16-25, <http://www.publications.parliament.uk/pa/cm201012/cmselect/cmpubacc/1636/163605.htm>

<sup>11</sup> National Audit Office, 4 November 2011, Oversight of special education for young people aged 16-25, <http://www.nao.org.uk/report/oversight-of-special-education-for-young-people-aged-16-25/>

<sup>12</sup> House of Commons, 24 February 2012, MPs report on the oversight of special education for young people aged 16-25, <http://www.parliament.uk/business/committees/committees-a-z/commons-select/public-accounts-committee/news/special-ed-report/> Emphasis added.

**Table 1: Providers, student numbers and funding for 16-25 special education, 2009/10**

Funding Type	Provider Type	Provision	Age range of students	Students aged 16-25 with:				
				Higher-level needs: Statement or Learning Difficulty Assessment		Lower-level needs: no Statement or Learning Difficulty Assessment		Number of providers
				Number of students	Funding	Number of students	Funding	
Special Educational Needs Block Grant	Mainstream secondary school (including academy) sixth forms	Mainly academic courses in mainstream settings	16-18	4,190	£189m	28,770	Not separately identified	1,974
	Maintained and non-maintained special schools sixth forms	Education for students with complex or specific needs	16-18	11,610		60		523
	Independent special school sixth forms	Education for students with complex or specific needs	16-18	Not separately identified		Not separately identified		151
Additional Learning Support	Further education providers	Academic and vocational courses in mainstream settings	16-25	10,842	£106m	87,654	£135m	536
Specialised Placement Budget	Independent specialist providers	Residential and day provision for students with specialist needs	16-25	3,647	£211m	n/a	n/a	57
	<b>Total</b>			<b>30,289</b>	<b>£506m</b>	<b>116,484</b>	<b>£135m</b>	<b>3,241</b>



The NAO noted that spend on SEN support in schools for those aged 16 – 18 is not gathered centrally.<sup>13</sup>

However, there is a proxy measure, the **Special Educational Needs Block Grant**. This is paid to local authorities to provide support for those aged over 16 with Statements (not LDAs). For 2009/10 such support totalled £189 million. This was supplied to: mainstream secondary schools; maintained and non-maintained special schools with sixth forms; and, Independent special schools with sixth forms.

**ALS** is the main source of special education support funding in further education and is shown in Table 1 under FE providers. The NAO found that spending on higher-level ALS had increased from approximately £90 million in 2005/06, to £106 million in 2009/10. A further £135 million was provided for those with lower level needs.

The NAO went on to state that:<sup>14</sup>

*However, owing to greater numbers of students receiving funding, average expenditure per head decreased in real terms from around £10,600 to £9,700 in the same period.*

In addition, there was a great deal of variation between funding for ALS amongst local authorities. This, however, may have been a result of factors such as population size, placement policies and FE providers capacity to support students with higher level needs.

**Independent Specialist Providers (ISPs)** are funded *via* the specialist placement budget, providing support to individuals for who placement in main stream education is not appropriate.

Support for individuals at specialist providers can take place in a number of ways, including day care provision and residential, resulting in a high cost of support. This higher cost is a result of the additional support available to students, such as therapy and residential care. The NAO stated that:<sup>15</sup>

*Nationally, the average cost of individual placements rose to around £58,000 between 2005/06 and 2009/10, but fell slightly to around £56,000 in 2010/11.*

For 2009/10, as per Table 1, funding for ISPs amounted to £211 million, with supported provided to 3,647 students studying at 57 provider organisations across England.<sup>16</sup>

<sup>13</sup> National Audit Office, 4 November 2011, Oversight of special education for young people aged 16-25, <http://www.nao.org.uk/report/oversight-of-special-education-for-young-people-aged-16-25/>

<sup>14</sup> Ibid

<sup>15</sup> House of Commons, 24 February 2012, MPs report on the oversight of special education for young people aged 16-25, <http://www.parliament.uk/business/committees/committees-a-z/commons-select/public-accounts-committee/news/special-ed-report/>

<sup>16</sup> Ibid

### 3 Wales

As discussed in sub-section 1.1, Wales currently has the same system as England did prior to the 2014 reforms. As such, school age children are supported *via* SEN, and those over 16 but not in secondary school are able to access support *via* LDAs.

In 2014 Deloitte was contracted by the Welsh Government to conduct a review of the SEN system in Wales, including the Government's funding provision. The review covered all costs associated with supporting learners with SEN or a Learning Disability or Difficulty (LDD). It has been used subsequently to inform the draft Explanatory Memorandum for the *Draft Additional Learning Needs and Education Tribunal (Wales) Bill*, which was published in July 2015.<sup>17</sup>

In order to assess the costs of supporting people with SEN/LDD, Deloitte identified a series of stakeholders who received funding to support those with SEN/LDD. These stakeholders are:

- **The Welsh Government:** Relates to post-16 learners with LDD who require funding for individual placements at independent specialist colleges;
- **Local Health Boards (LHBs):** Programme budget expenditure for Learning Disability Problems and LHB's contribution to funding placements for post-16 learners with LDD;
- **Local Authority Social Services (LASS):** Costings for LASS included LDD Specialist Placements and expenditure on education relating to education for looked-after children with SEN;
- **Local Authority Education (LAE):** The Deloitte costings include gross education expenditure relating to additional learning needs and provision of a special education needs nature, gross education expenditure relating to funding places for under-5s not in nursery with an SEN and gross education expenditure relating to SEN inter-authority payments;
- **Individual Schools:** Using survey data, Deloitte estimated how much schools spend on learners with SEN including needs assessments, reviews and spend on SEN support staff;
- **Further Education Institutions (FEIs):** Discrete and Mainstream funding provided to FEIs to support learners with LDD;
- **Careers Wales:** Using survey data, Deloitte identified expenditure based on assessment of needs and reviews; and,
- **Special Educational Needs Tribunal Wales (SENTW):** Costs for the SENTW is based on Management Account expenditure statistics obtained from Welsh Government officials.

<sup>17</sup> Welsh Government, July 2015, Draft Additional Learning Needs and Education Tribunal (Wales) Bill - Draft Explanatory Memorandum <http://gov.wales/docs/dcells/consultation/150706-explanatory-memorandum-en1.pdf>

As noted by Deloitte, as a result of the data collection methods used and the lack of auditing carried out on the available data sources, its review could only ever produce an estimate of the spend on SEN and LDD support.<sup>18</sup>

Table 2 below details the funding provision to each of the stakeholders listed above.

**Table 2: Funding provision by stakeholder for the three years 2011 to 2014**

Stakeholder	2011-12 (£m)	2012-13 (£)	2013/14 (£m)
Welsh Government	8.9	9.7	10.4
LHBs	13.7	14.1	14.7
LA Social Services	5.6	5.8	6.1
LA Education	167.5	155.7	138.4
Schools	157.1	178.3	176.2
FEIs	7.3	7.8	7.5
Careers Wales	0.8	0.7	0.7
SENTW	0.1	0.2	0.1
<b>Total</b>	<b>361</b>	<b>371.9</b>	<b>354.1</b>

As the costings are not disaggregated by age, it is not possible to provide a clear picture of the Welsh Government's spend on post-16 SEN and LDD. However, it is possible to identify some spending on those aged 16+.<sup>19</sup>

- The Welsh Government provided funding for those aged 16+ who attended independent specialist colleges. This totalled £10.4 million in 2013-14;
- LHBs spent £0.8 million in 2013/14 on contributions to post-16 funding placements;
- LASS paid a contribution towards funding placements for post-16 learners with LDD of £5.5 million; and,
- For the FEI sector £7.5 million of funding was provided to supporting learners with LDD.

As such, it is possible to state that Wales has spent at least £24.2 million on education and support for those aged 16+ with LDD in 2013-14.

It should be noted that there are some issues regarding the data provided, as noted by Deloitte.<sup>20</sup>

<sup>18</sup> Deloitte, July 2015, An examination of the provision of funding for learners with special educational needs or learning difficulties and/or disabilities, <http://gov.wales/topics/educationandskills/schoolshome/pupilsupport/additoinal-learning-needs-reform/?lang=en>

<sup>19</sup> Ibid

<sup>20</sup> Ibid

*It was apparent early in the review that the information needed to meet the objectives is simply not recorded at the present time, including a lack of records on how much time is spent meeting SEN/LDD needs as well as cost information at a process level. For example schools record how much they spend on salaries, equipment, supplies and maintenance but they do not analyse their spending into particular functions.*

As such, the information above may not provide a complete picture of the costs of SEN and LDD support in Wales. However, it is the most up-to-date and comprehensive review that has been carried out to date.<sup>21</sup>

#### 4 Available Information on Northern Ireland

Limited information is available to compare the costs of systems in England and Wales with Northern Ireland's.

In correspondence to the CEL on 18 June 2015, the DEL stated that it provides funding to FE Colleges in order to support their duties under the *Further Education (Northern Ireland) Order 1997* via the Additional Support Fund (ASF).

The DEL states that:<sup>22</sup>

*ASF funding is targeted at **all**<sup>23</sup> FE students, enrolled in FE college provision, who have declared a learning difficulty and/or disability. It is intended to help colleges to meet the necessary additional cost of provision for these students.*

Under guidance issued by DEL on the ASF for colleges, it states that:<sup>24</sup>

*All ASF expenditure should be based on objective assessment of need and supported by professional assessment, where deemed necessary.*

To access this funding, colleges must complete a Supplementary Learning Agreement (SLA) with each individual student. This is to ensure that the student is aware of and agrees to the level of support, learning pathway, progression and review process throughout his/her attendance at the college.<sup>25</sup>

In addition, the ASF can be provided as '*discrete provision*' when mainstream FE courses are unsuitable for students with LDD. In this case, a college will work with special schools and adult day care centres to provide customised training and development opportunities for young people with moderate or severe learning difficulties.

<sup>21</sup> Ibid

<sup>22</sup> DEL correspondence to the Committee for Employment and Learning, 18 June 2015

<sup>23</sup> Emphasis by DEL

<sup>24</sup> DEL, 27 June 2014, Funding for students with a learning difficulty and/or disability – Additional Support Fund, <http://www.delni.gov.uk/asf-circular-08-14-2014-15.pdf>

<sup>25</sup> DEL correspondence to the Committee for Employment and Learning, 18 June 2015

The DEL goes on to state that funding under the ASF is provided in two ways:<sup>26</sup>

- **ASF Basic:** This helps meet the cost of technical and personal support for all Students with LDD, both in mainstream provision and on discrete programmes. In 2014/15 **£2.5 million** was made available to FE colleges under ASF Basic; and,
- **ASF Discrete:** This is provided to colleges to help meet the extra costs associated with offering courses for students with LDD, for whom mainstream provision is unsuitable. It is paid in three stages and in 2014/15 **£2 million** was available for colleges.

A RalSe review of colleges' annual accounts found that in 2014 a total of £2,577,000 was received by the colleges as a grant from the DEL under the ASF.<sup>27</sup> The South Western Regional College received an additional £191,000 from DEL for students with LDD.

It should be noted that the ASF provides support for people with learning disabilities and those with disabilities. A RalSe review of available data found an apparent lack in information regarding the breakdown of the funding between those with learning disabilities and/or disabilities.

In regard to the support provided in schools for pupils with SEN, there appears to be limited research on the methods of allocating resources and the funding models in place for SEN in Northern Ireland.<sup>28</sup>

The Department of Education allocates funding to schools through the Common Funding Scheme (CFS). The Scheme uses a formula to determine the amount of funding for each school, and Boards of Governors decide how to spend their allocation.<sup>29</sup>

Funding provided under the CFS is not ring-fenced and it is up to Boards of Governors to decide how they spend their delegated budget.

The CFS states that funding for pupils with SEN is provided in the following ways:

- **Pupils with a statement of SEN:** Pupils with a statement of SEN<sup>30</sup> in mainstream education generate the same age weighted pupil unit weighting (AWPU)<sup>31</sup> as those without a statement. The Education Authority (EA) provides the additional funding

<sup>26</sup> Ibid

<sup>27</sup> Review of Northern Ireland Regional College most recent Annual Accounts, Under Note 2: Department for Employment and Learning Grants

<sup>28</sup> Travers, J., Savage, R. (2014) An Inventory of Research and Policy Related Publications in the Field of Special Education on the Island of Ireland since 2000: Report on Updating of Database from 2009-2013 Meath: National Council for Special Education

<sup>29</sup> Department of Education (2014) Common Funding Scheme 2014/15 Bangor: DE

<sup>30</sup> A statement of special educational needs is a document detailing a child's needs and the support they require. The Education Authority makes a statement in cases where the school cannot reasonably provide the help a child needs

<sup>31</sup> A key factor within the Common Funding Scheme: students' ages are weighted to reflect the differing costs associated with their age range

necessary to meet the terms of the statement (for example, to pay for a classroom assistant or additional equipment);<sup>32</sup>

- **Pupils without a statement of SEN:** The formula does not allocate additional funding to schools for pupils with SEN which do not have a statement;<sup>33</sup> and schools are expected to meet any additional costs from their budget. However, the EA provides support services that schools may use to aid the identification of SEN and to help meet the needs of some pupils; and,<sup>34</sup>
- **Pupils in special units:** The Common Funding Scheme includes a Special Units factor to support post-primary pupils in special units (not pupils with statements in mainstream education). Schools with special education units are allocated a lump sum for each class within the unit; this was £3,000 per class in 2014/15. Pupils in special units attract a reduced AWPU weighting to reflect the fact that the EA pays for staffing costs within the unit.<sup>35</sup> In 2011-12, funding for special units amounted to £0.6 million.<sup>36</sup>

The EA (formerly the Education and Library Boards) provides the additional funding required to meet the terms of a statement for pupils with SEN in mainstream education.<sup>37</sup>

A review of the most recent annual accounts of the Education and Library Boards (2013/14) was carried out by RaISe, to try and identify any expenditure attributed to post-16 SEN provision. Whilst information was available on Gross Expenditure on Special Education in mainstream schools and in some cases for special schools, this was provided within the annual financial statements and provided gross figures only.<sup>38</sup>

As such it is not possible to provide data on the funding for pupils who are over the age of 16 with SEN still in school. This is similar to issues faced by Deloitte in its review of SEN and LDD provision in Wales.

## 5 Discussion

This paper provides a discussion of the costs of the post-16 SEN and LDA systems in England prior to the 2014 reforms and the cost of SEN/LDD support in Wales for 2011 - 2014.

<sup>32</sup> Department of Education (2014) *Common Funding Scheme 2014/15* Bangor: DE

<sup>33</sup> Department of Education (2014) *Common Funding Scheme 2014/15* Bangor: DE

<sup>34</sup> Department of Education (1998) *Code of Practice on the Identification and Assessment of Special Educational Needs* Bangor: DE

<sup>35</sup> Department of Education (2014) *Common Funding Scheme 2014/15* Bangor: DE

<sup>36</sup> Northern Ireland Assembly, 16 September 2011, RaISe, Common Funding Scheme,

<http://www.niassembly.gov.uk/globalassets/documents/raise/publications/2011/education/9811.pdf>

<sup>37</sup> Northern Ireland Assembly, RaISe, 25 August 2015, SEN funding and transitions in other jurisdictions, duties of HSC Trusts and SEN in Irish-medium education

<sup>38</sup> Review of ELB Annual Accounts, 2013/14, Note 2, Statement of operating costs by operating segment

The majority of the information provided was sourced from two reports, an NAO assessment of the costs of post-16 SEN/LDD in England and a Deloitte review of the SEN/LDD system in Wales.

Both sources appear to be the most comprehensive reviews of the costs of these systems available. However, both reports highlight the lack of available information on some SEN costs due to the data collection methods used by the relevant authorities and the complications caused by the funding models within the systems. For example, the NAO found that:<sup>39</sup>

*There is good information covering expenditure on higher-level Additional Learning Support and placements with independent specialist providers, but total expenditure on supporting students with special educational needs is not known.*

The Deloitte review had similar issues:<sup>40</sup>

*It was apparent early in the review that the information needed to meet the objectives is simply not recorded at the present time, including a lack of records on how much time is spent meeting SEN/LDD needs as well as cost information at a process level.*

Deloitte undertook significant engagement with stakeholders to obtain relevant data but many of them found this difficult. As a result, Deloitte focused on using published data in combination with survey data from stakeholders, resulting in *a reasonable estimate of the investment to support SEN/LDD*.<sup>41</sup>

For England, post-16 SEN/LDD cost £640 million in 2009/10 and provided support to 146,773. Of these 30,289 had higher level needs and received funding of £506 million, the vast majority of the funding provided to post-16 SEN/LDDA support.

In Wales £354.1 million in funding was provided by the Government in the delivery of the current SEN/LDD system. Whilst there are no clear figures for the people supported by this, an Explanatory Memorandum stated that there were 107,842 children with SEN and 8,408 people in post-16 provision with LDD and/or a physical disability.<sup>42</sup>

There is a large difference in the costs for SEN and LDD support in England and Wales. Whilst it is not possible to compare the two directly due to the NAO report focusing on post-16 support and the Deloitte review on the whole system of SEN and

<sup>39</sup> National Audit Office, 4 November 2011, Oversight of special education for young people aged 16-25, <http://www.nao.org.uk/report/oversight-of-special-education-for-young-people-aged-16-25/>

<sup>40</sup> Deloitte, July 2015, An examination of the provision of funding for learners with special educational needs or learning difficulties and/or disabilities, <http://gov.wales/topics/educationandskills/schoolshome/pupilsupport/additoinal-learning-needs-reform/?lang=en>

<sup>41</sup> Ibid

<sup>42</sup> Welsh Government, July 2015, Draft Additional Learning Needs and Education Tribunal (Wales) Bill - Draft Explanatory Memorandum <http://gov.wales/docs/dcells/consultation/150706-explanatory-memorandum-en1.pdf>

LDD in Wales, the differences in scale of costs can be in part be ascribed to population sizes. England has a significantly larger population than Wales and as such would have a greater number (but not necessarily proportion) of people with learning disabilities in need of support.

It should also be noted that as a result of the differences in the data provided by the two reports it is not possible to ascertain what the spend per head on SEN and LDD is for both countries.

The PAC identified a number of issues with the operation of the system in England in 2012, stating:<sup>43</sup>

*The system is extremely complex and difficult to navigate, with an array of different providers including schools, FE colleges and specialist providers. Too many parents and young people are not given the information they need to make decisions about what is right for them, with many losing hope.*

It should be noted that in 2014 *The Children and Families Act 2014* reformed the existing system, creating a single Education, Health and Care Plan (EHC Plan) that provides support from 0 – 25.

Wales is currently in the process of reforming its system. A draft Bill has been developed (the *Additional Learning Needs and Educational Tribunal (Wales) Bill*). The intention of the Bill is to:<sup>44</sup>

*Make provision for a new statutory framework for supporting children and young people with additional learning needs (ALN). This will replace existing legislation surrounding special educational needs (SEN) and the assessment of children and young people with learning difficulties and/or disabilities (LDD) in post-16 education and training.*

There is some information available on the costs of SEN and support for people attending FE colleges who have LDD in Northern Ireland. It was possible to identify the funding available to the FE Colleges, with the DEL providing this information. However, when considering SEN funding for those aged 16+, a number of barriers were identified including schools receiving most of their funding via a single block grant, and data not being disaggregated by age. Deloitte faced a similar issue in its review of the SEN and LDD system in Wales and found it necessary to carry out a survey of schools to identify the relevant information.

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<sup>43</sup> House of Commons, 24 February 2012, MPs report on the oversight of special education for young people aged 16-25, <http://www.parliament.uk/business/committees/committees-a-z/commons-select/public-accounts-committee/news/special-ed-report/>

<sup>44</sup> Welsh Government, July 2015, Draft Explanatory Memorandum to the Draft Additional Learning Needs and Education Tribunal (Wales) Bill, <http://gov.wales/docs/dcells/consultation/150706-explanatory-memorandum-en1.pdf>



The CEL may wish to note that the DEL has held informal discussions with the FE and Higher Education (HE) sectors in NI regarding the extension of SEN. The DEL stated in a letter to the CEL:<sup>45</sup>

*Both indicate that they did not consider the extension of SEN statements up to the age of 25 to be of any additional educational benefit to students.*

The DEL went on to state that:<sup>46</sup>

*It was considered that the existing assessment procedures in place for both FE and HE are more appropriate and reflective of the needs, provision and support available to students, enrolling in FE or HE courses.*

DEL also contacted the DE on the possibility of amending the *Special Education Needs and Disability Bill* to extend statementing up to age 25, to allow the opportunity to remain in special school.<sup>47</sup> The DE stated that following an extensive consultation with stakeholders as part of the SEN and Inclusion Review, that issue was not raised or during further engagement in 2012. The DE went on to say this issue has not been raised at any other time.

The DE does, however:<sup>48</sup>

*Continue to engage with the Education Authority, DHSSPS and DEL in relation to improving the transition planning process for these pupils. DE is also part of the cross-departmental Post-19 Transition Focus Group. This group is considering current gaps in provision and opportunities for making improvements for young people with severe learning disabilities post-19.*

**The CEL may wish to note the following:**

- **The SEN system as it existed in England (and as would be introduced by the proposed amendment) has been criticised for being complex and difficult to navigate. The CEL may wish to note this in its consideration of an amendment, to ensure any potential changes to the system do not result in a complicated system for people with SEN/LDD and their parents/guardians; and,**
- **The CEL may wish to ask DEL and DE if there a need for a review of NI's system, given the reforms underway in Wales and the changes in the system in England in 2014?**

<sup>45</sup> DEL correspondence to the Committee for Employment and Learning, 18 June 2015

<sup>46</sup> Ibid

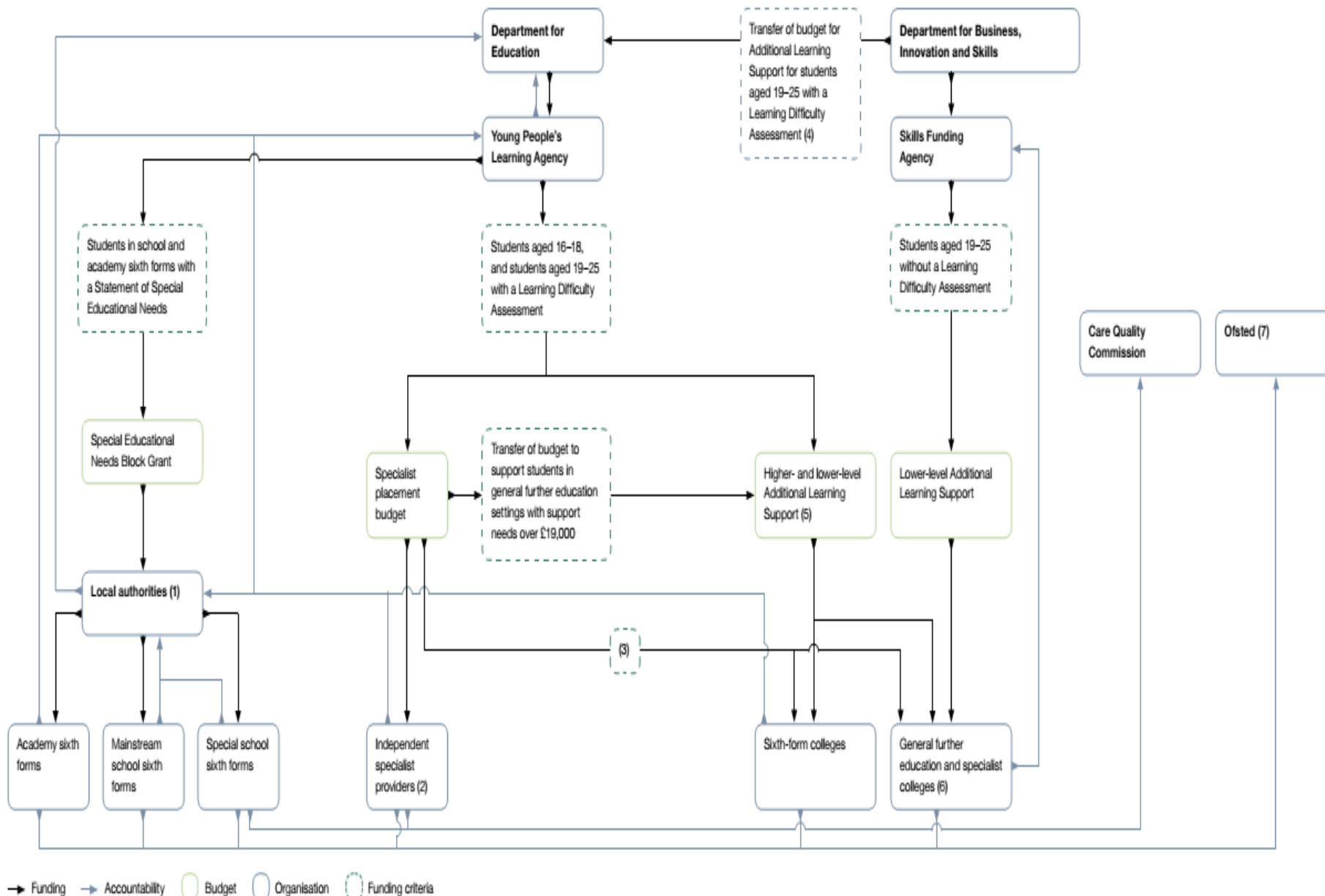
<sup>47</sup> Ibid

<sup>48</sup> Ibid

**Appendix 1: Funding, accountability and provision in the 16 – 25 special education system (2010/11 academic year)<sup>49</sup>**

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<sup>49</sup> National Audit Office, 4 November 2011, Oversight of special education for young people aged 16-25, <http://www.nao.org.uk/report/oversight-of-special-education-for-young-people-aged-16-25/>



**Notes:**

1. The Special Educational Needs Block Grant is managed by local authorities and is not ring-fenced;
2. Placements in independent specialist providers are commissioned by local authorities via the Young People's Learning Agency, which contracts with and funds these providers;
3. Funding from the specialist placement budget is also used to fund some specialist placements in general further education;
4. The Young People's Learning Agency is responsible for all students with Learning Difficulty Assessments, and the Skills Funding Agency for students aged 19-25 without. In practice, as no data is collected centrally on whether students have Learning Difficulty Assessments, the threshold of £5,500 Additional Learning Support is used as a proxy;
5. School and academy sixth forms also receive Additional Learning Support from the Young People's Learning Agency, calculated on a formula basis based on students' prior attainment (not shown – see note 6, Figure 8);
6. Excludes private and other training providers, who received 2 per cent of total Additional Learning Support funding in 2009/10; and,
7. Estyn, the education and training inspectorate for Wales, inspects providers in Wales which may be attended by students from English local authorities funded by the Young People's Learning Agency.