



Permanent Secretary

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Dame Meg Hillier MP
Chair, Public Accounts Committee
House of Commons
London SW1A 0AA

Sent via E-mail

15 July 2022

Dear Meg,

PAC hearing on 11 May 2022 – DfE recall on the Special Educational Needs and Disability (SEND) Review.

Thank you for your letter of 16 June. I welcome the continued engagement of the Public Accounts Committee.

The green paper sets out an ambitious improvement agenda to deliver the scale of change required. During the consultation, we have engaged with children and young people, parents/carers, and the sector to seek feedback on the proposals. To date, we have held 174 events, and received 1591 e-responses. We will use this feedback to inform the next stage of delivering improvements for children, young people, and their families.

Your letter set out seven specific areas of concern for us to address in the development and implementation of the SEND and alternative provision reforms.

Timetable for change

We remain committed to publishing the SEND and Alternative Provision Improvement Plan later this year. This will set out our next steps for reform in response to what we have heard during the consultation. We recognise that change is needed now, and we have work underway to secure swift improvements in the system for children, young people, and their families:

- Local authority improvement work: the Safety Valve and Delivering Better Value programmes, which will work with almost two thirds of local authorities by the end of 2024-25, support and challenge authorities to manage their high needs systems sustainably. The department has recently published [guidance](#) and [research](#) for all authorities on how to manage their high needs systems effectively and sustainably.
- Expansion of specialist provision: we launched the latest free school wave inviting applications for specialist and alternative provision on 10 June, as

part of the £2.6 billion capital investment we are making to deliver more specialist places in the areas of the country where it is needed most.

- **Consultations:** we are currently consulting on proposed changes to the Education, Health and Care Plan (EHCP) annual review timeline and have issued a [call for evidence](#) on unregistered alternative provision. We are also working with Ofsted and CQC on a consultation for the new local area SEND Inspection Framework.

We intend to develop early versions of certain tools, such as the inclusion dashboards, with a view to these evolving as the system develops. We will set out more detail on our approach, timeline, and potential metrics for the inclusion dashboard in the Improvement Plan later this year.

We are consulting on the right governance arrangements. We plan for the National SEND and Alternative Provision Improvement Board to bring together expertise from education, health, care, parents/carers, and national and local government. This Board will play a critical role in owning and leading the reform agenda. Further details will be set out in the autumn, following the consultation.

Implementing changes in practice

The Improvement Plan will set out our plan for delivery, and the proposed metrics that we will use to monitor this. This will include how we will make use of the £70 million investment to support delivery and implementation, and our plans for evaluation.

We will undertake a regulatory assessment as we prepare any new regulations to understand the cumulative impact of the government's agenda and the capacity of delivery partners to deliver reform effectively. We have already committed to undertaking a local authority new burdens assessment for inclusion partnerships.

Transparency and accountability for high needs funding

For the pupils that receive top-up funding, most of the high needs funding that academies receive comes directly from local authorities. Those pupils typically have EHCPs which indicate what provision should be made available; the top-up funding allocated by local authorities is associated with that provision. Local authorities are responsible for securing that provision, and an academy, as any other school, would be accountable to their local authority for delivering it.

An academy trust's freedom to pool its funding is specifically linked to the structure and responsibilities that academy trusts have, including delivering the department's school improvement strategy. Academy trusts are in a better position to do that if they can direct funds as necessary to achieve those improvements.

Our proposed national standards for the provision that should be made available aim to improve transparency and accountability for the use of funding. The national standards will provide greater clarity about who should fund what provision and will help build confidence that funding is being used for the right purposes.

Outcomes achieved

The Improvement Plan will explain how we will evaluate progress against our stated goals to improve outcomes. It will also set out how we plan to build parental confidence and deliver financial sustainability to the system, and the metrics we will use to monitor success.

Variation in identifying needs

We have consistently heard that variation is a key challenge for the system. The green paper set out our intention to address this through a single national system, with standards around the assessment of need and the provision that is put in place. Greater emphasis on data and transparency, including through inclusion dashboards, will help to develop our understanding of this issue. My letter of 13 June to the Committee provides a detailed response on specific analysis on variation and sets out how this work has been undertaken by the Education Policy Institute, whose first strand of data analysis was [published in March 2021](#).

Digital education, health and care plans

Our proposals to reduce bureaucracy and inconsistency by introducing standardised and digitised EHCPs have been broadly welcomed, although we will need to fully analyse consultation responses before coming to a policy position. These proposals, alongside the development of national standards, are not designed to save money or limit choice. Instead, they are intended to drive clarity and consistency in the system, providing parents and carers with more information about what they can expect to be made available in their local area.

We are considering the appropriate scope of a digitised system, informed by the consultation and learning from previous similar experiences. We will also carefully consider inequitable access to digital technology which can pose further challenges. We will continue to work with stakeholders, including parents/carers, and children and young people, to inform our thinking.

Incentives for schools to be fully inclusive

To deliver an inclusive system where more children get the right support earlier, we are ensuring the right incentives are in place at every level. On 7 June, we launched the next phase of the consultation on implementing a national funding formula that would see mainstream schools funded directly. We are consulting on whether the £6,000 financial threshold for triggering high needs funding would be appropriate and consistent with the green paper proposals. To begin to bring consistency to the system ahead of the introduction of national standards, we will issue guidance to local authorities on how they calculate their schools' notional SEN budget for 2023-24 using local formula factors.

We are exploring non-funding incentives through plans set out in the Schools White Paper. This includes plans for a single regulatory approach to academy trusts which sets out the expectations that we have for all trusts. Under this approach a 'strong trust' must deliver a high quality, inclusive education, including for disadvantaged children and children with SEND, as well as operating fair access. The regulatory and commissioning review, launched on 29 June, will

consider the assessment criteria for trust strength, including inclusive practice.

The Schools White Paper also committed to work with stakeholders to reform the admissions framework. This will include the setting of oversubscription criteria and consultation on a statutory framework to govern children's movements so that all placement decisions, including about the use of alternative provision, are always made in the best interest of the child.

Finally, at school level, Ofsted's education inspection framework is clear on the expectation that schools should have an inclusive culture that enables early identification of pupils who may have additional needs or barriers to learning. Inspectors will look to see that leaders create an inclusive culture and do not allow gaming or off-rolling.

Thank you for your ongoing support and critical challenge. I look forward to further engagement with the Public Accounts Committee, including on 8 September, and wider opportunities to keep the committee updated as we progress into the next phase of this vital work.

Best wishes,

A handwritten signature in black ink, appearing to read 'S Acland-Hood', with a stylized, cursive script.

**SUSAN ACLAND-HOOD
PERMANENT SECRETARY**