

## 6. Regulatory Impact Assessment

- 6.1 A regulatory impact assessment has been completed for the Bill and follows in Part 2.
- 6.2 The regulatory impact assessment is not set out to mirror the structure of the Bill. Rather, the regulatory impact assessment presents the costs as they relate to the main changes brought about by the Bill, bringing together the relevant provisions. An example of this is the estimated cost of renaming the tribunal from the Special Educational Needs Tribunal Wales to the Education Tribunal for Wales. The provision to rename the tribunal is set out in part three of the Bill but the estimated cost is discussed as part of reforms to introduce statutory IDPs for young people with additional learning needs, which are included in provisions in part two of the Bill (see paragraph 8.258).
- 6.3 Whilst standard practice is to set out estimated cost projections over a five year period, the approach taken in this regulatory impact assessment is to set out the costs over a four year period to coincide with the term of the current National Assembly for Wales.

### Summary – regulatory impact assessment

<b>Additional Learning Needs and Educational Tribunal (Wales) Bill</b>
<p><b>Preferred option:</b> introduce legislation to improve the current special educational needs (SEN) system to reduce existing conflict in the system and improve outcomes for young people with additional learning needs (ALN). The specific options include introducing:</p> <ul style="list-style-type: none"><li>• statutory individual development plans (IDPs) for young people with ALN. See pages 4 and 42</li><li>• a requirement for local authorities to avoid <i>and</i> resolve disagreements. See pages 14 and 126</li><li>• a responsibility for local authorities to assess need post-16 and to secure specialist further education provision. See pages 17 and 141</li></ul>

<ul style="list-style-type: none"> <li>• changes to the registration and approval of independent schools in respect of special educational needs. See pages 21 and 155</li> <li>• changes to the statutory basis of special educational needs co-ordinators in education. See pages 24 and 176</li> <li>• changes to the statutory basis of special educational needs co-ordinators in health. See pages 29 and 188.</li> </ul>		
<b>Stage:</b> introduction	<b>Appraisal period:</b> 2017-18 to 2020-21	<b>Price base year:</b> 2016-17
<b>Total cost</b> Total: £8,519,900  Present value: ££7,856,860	<b>Total benefits</b> Total:£4,272,740  Present value: £3,923,530	<b>Net present value (NPV):</b> £3,933,330

## Administrative costs

### Costs

**Ongoing costs:** Overall, the Bill is expected to result in cost savings. There are, however, four organisations which are likely to incur additional ongoing costs:

Health boards: £825,600 (£206,400 per year)

Further education institutions (FEIs): £92,800 (£23,200 per year)

Estyn: £172,000 (£ 43,000 per year)

Welsh Government: £680 (£170 per year).

**Transition costs:** it is likely nine public sector organisations will incur transition costs. This includes: local authority education services, local authority social services, SENTW, mainstream schools, health boards, FEIs, Estyn, pupil referral units and the Welsh Government. The total transition costs are £11,528,460. Welsh Government transition costs are £1,972,510, leaving £9,555,950 transition costs which fall to the remaining public sector organisations.

The Welsh Government is supporting the implementation of the Bill through

transition grants.			
<b>Transition:</b> £11,528,460	<b>Recurrent:</b> £1,091,080	<b>Total:</b> £ 12,619,540	<b>PV:</b> £11,621,330
<p><b>Cost savings:</b></p> <p>Overall, there is potential for the Bill to achieve estimated ongoing savings of - £4,766,340 over the four year period 2017-18 to 2020-21. This is an estimated saving of £1,191,585 per year.</p> <p>There is potential for local authority education services to save an estimated £2,750,740 over the four year period, with Careers Wales potentially saving and estimated £1,954,400 and SENTW potentially saving £61,200 over the four year period.</p> <p>The estimated savings are expected to be achieved from provisions in the Bill which aim to remove the current adversarial nature of the statement process.</p> <p>As well as recognising the potential savings which could be realised from the introduction of the preferred options, the regulatory impact assessment acknowledges it is unknown the extent to which the potential savings will be achieved. Thus, when calculating the savings, mid-range savings have generally been used to avoid overstating the potential savings.</p> <p>In addition, where it has not been possible to identify the potential savings due to diverse practices likely to be put in place when implementing provisions within the Bill, illustrative savings are presented within the text, but are not then included in summary Table 69 and Table 70.</p>			
<b>Transition:</b> £0	<b>Recurrent:</b> £4,766,340	<b>Total:</b> £4,766,340	<b>PV:</b> £4,376,790
<p><b>Net administrative cost saving:</b> £7,853,200</p>			

## Compliance costs

Independent schools, parents and providers of dispute resolution services will incur additional costs over the four year period. There are, however, net benefits for parents and service providers when the benefits set out below are taken into account.

Independent schools will incur additional estimated costs of £17,300 over the

four year period. This consists of £2,100 transition costs and £15,200 ongoing costs. The estimated additional ongoing cost per year is £3,800.

There will be an additional cost to parents of £592,400 over the four year period due to extended rights of appeal, this is equal to £148,100 per annum.

Providers of dispute resolution services will incur additional costs of £57,000 over the four year period due to extended rights of appeal, this is equal to £14,250 per annum.

<b>Transition:</b> £2,100	<b>Recurrent:</b> £664,600	<b>Total:</b> £666,700	<b>PV:</b> 612,310
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## Other costs

The regulatory impact analysis has identified no economic, social or environmental costs associated with introducing the preferred options.

<b>Transition:</b> £0	<b>Recurrent:</b> £0	<b>Total:</b> £0	<b>PV:</b> £0
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## Unquantified costs and dis-benefits

There are a number of costs, dis-benefits and risks associated with introducing the Bill, which it has not been possible to quantify and the costs are unknown. These include:

### Cost to public administration

- ongoing current and future costs to schools of complaints about plans and provision
- ongoing current and future costs to further education institutions of complaints about plans and provision
- costs associated with staff turnover in relation to the ALNCo minimum qualification
- costs associated with developing the ALNCo minimum qualification
- current ongoing cost to LHBS of co-ordinating health provision for children and young people with ALN

These are set out by provision and by organisation throughout the regulatory impact assessment.

## Benefits

The regulatory impact analysis has identified potential estimated savings of £3,921,900 over the four year period to parents of young people with additional learning needs. This is a potential estimated saving of £980,475 a year.

There is potential for providers of dispute resolutions services to make savings of £350,840 over the four year period. This is a potential estimated saving of £87,710 a year.

The unquantified benefits are set out in the options section.

<b>Transition:</b>	<b>Recurrent:</b>	<b>Total:</b>	<b>PV:</b>
£0	£4,272,740	£4,272,740	£3,923,530

## Unquantified benefits

There are a number of benefits associated with introducing the Bill, which it has not been possible to quantify. These include:

### Benefits to public administration

- potential savings to further education institutions as a result of not having to maintain college-based plans for all young people with ALN as a result of the provision to introduce local authority maintained IDPs for some young people with ALN who attend further education
- potential savings to local authorities associated with any reduction in the number of disagreements as a result of the provision requiring local authorities to avoid *and* resolve disputes
- potential savings to social services and health services arising from the removal of the current requirement for them to provide advice in all statutory assessment cases, irrespective of its relevance

### Benefits to other organisations

- potential savings to providers of dispute resolution services as a result

of the provision requiring local authorities to avoid *and* resolve disputes

#### Benefits to children, young people and parents

- potential savings to parents associated with any reduction in the number of disagreements as a result of the provision requiring local authorities to avoid and resolve disputes

#### Social benefits

- social benefits associated with children and young people with ALN achieving their full potential including increased attainment, college attendance, independent living and future employment.
- These are set out by provision and by organisation throughout the regulatory impact assessment.

### Key evidence, assumptions and uncertainties

The key evidence, assumptions and uncertainties are set out in the introduction. More detail can be found in the discussions on the costs and benefits of the individual proposals.

## PART 2 - IMPACT ASSESSMENT

### 7. Options

- 7.1 This chapter outlines the options associated with each of the following provisions set out in the Bill:
- Plans to support children and young people with additional learning needs
  - Dispute resolution
  - Responsibility for assessing need post-16 and for securing specialist further education provision
  - Registration and approval of independent schools in respect of special educational needs
  - Statutory basis of the special educational needs co-ordinators in education
  - Statutory basis of special educational needs strategic co-ordinators in health.

#### Plans to support children and young people with additional learning needs

- 7.2 Currently, young people with additional learning needs (also referred to as special educational needs) will have one or more of the following plans:
- a. A statutory statement of special educational needs (SEN)
  - b. A non-statutory individual education plan
  - c. A statutory learning and skills plan
  - d. A college based non-statutory plan.
- 7.3 Which of the above plans a child or young person has, will depend on the statutory basis of the special education provision and the stage the young person is in their school career. Children and young people with the most complex needs, for example, will have a statement of SEN and an individual education plan whilst attending school and will have a learning and skills plan whilst attending post-16 education at an FEI. Children and young people with mild to moderate additional learning needs (ALN) will have an individual

education plan whilst attending school and a college-based plan whilst in post-16 further education.

- 7.4 As well as having diverse plans, children and young people currently have diverse rights. Children and young people who have a statement of SEN can challenge decisions made by the local authority regarding provision, by appealing to the Special Educational Tribunal for Wales (SENTW). Children and young people who have an individual education plan are not able to appeal to SENTW to challenge decisions made by schools regarding provision.

### **Option one: do nothing**

- 7.5 Under option one, the existing approach regarding education plans to support children and young people with additional learning needs would continue.

### **Advantages**

- 7.6 Option one does not involve any additional costs.

### **Disadvantages**

- 7.7 The current system is inequitable. Children and young people with the most severe needs and who fall above the threshold for having a statement of SEN, have service provision which is protected by law. In contrast, children and young people whose needs are less severe and who fall below the threshold for having a statement of SEN do not have protected provision or statutory rights.
- 7.8 The existing eligibility threshold for a statement of SEN is not defined in the Special Educational Needs Code of Practice for Wales<sup>1</sup>. Consequently, local authorities can interpret eligibility in diverse ways, resulting in inconsistency between local authorities.

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<sup>1</sup> <http://learning.gov.wales/docs/learningwales/publications/131016-sen-code-of-practice-for-wales-en.pdf>



- 7.9 The existing practices and processes associated with statements of SEN are inefficient and inflexible, and can result in ineffective provision for children and young people.
- 7.10 The current arrangements for reviewing and amending statutory plans are administratively cumbersome and involve schools inviting a prescribed set of professionals, regardless of whether their presence and input is necessary to the effectiveness of the review. Statutory reviews take considerable time to organise and prepare for. Amending a plan can, therefore, be a lengthy process and can result in learners experiencing delays in receiving the most appropriate support.
- 7.11 In addition, there is little flexibility when reviewing the provision for children and young people who are on the threshold for receiving statutory support. Where, for example, the outcomes of a statutory plan have been achieved for a child or young person, concern from parents about losing statutory entitlement may result in pressure for the plan and its provision to be maintained, despite this not necessarily being the most effective provision for the young person.
- 7.12 The current system does not facilitate smooth transitions between distinct stages of education. That is, between early years and school and between school and post-16 education. This can have a negative impact on the education of learners.
- 7.13 In addition, the current system does not provide all children and young people with ALN a right of appeal to the Special Educational Needs Tribunal for Wales. Unlike children and young people of compulsory school age, young people in post-16 education are currently not able to appeal to the Special Educational Needs Tribunal Wales.

## **Option two: replace existing support plans with a single plan for children and young people with additional learning needs**

- 7.14 Under option two, the existing statutory and non-statutory plans for learners with SEN and LDD would be replaced with a single statutory individual development plan (IDP) for all children and young people with ALN.
- 7.15 The IDPs will be maintained by schools, further education institutions (FEIs) or by local authorities. It is expected those children and young people who currently have a non-statutory plan will have a school/FEI maintained IDP and those who have statutory plans will have a local authority maintained IDP
- 7.16 Option two is the preferred option.

### **Advantages**

- 7.17 There would be no additional ongoing costs associated with developing and reviewing IDPs following their implementation<sup>2</sup>. The proposed definition of ALN is similar to current definitions of SEN and LDD<sup>3</sup>. Thus, the number of learners who would be defined as having ALN should be the same as those who currently have SEN or LDD.
- 7.18 Using the term additional in relation to learning needs would have the benefit of helping to avoid the stigma associated with the existing term of special and move the focus to the additional support children and young people require to access education.
- 7.19 All children and young people with ALN would be treated equitably regardless of the severity of their need. All learners in early years settings, schools (including maintained nurseries, pupil referral units and special schools) and FEIs who require additional learning provision (ALP) would be entitled to a statutory plan, the IDP.

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<sup>2</sup> It is possible, however, FEIs could incur additional ongoing costs of £23,200 responding to appeals made by young people with LLD and PMLD as a result of extending the right of appeal to SENTW to include young people up to the age of 25 who have ALN who attending FE.

<sup>3</sup> See the introduction of the term Additional Learning Needs section of the explanatory memorandum.

- 7.20 Introducing statutory plans for all young people with ALN would enable a greater focus on early identification and support. Early intervention could result in cost savings through, for example, preventing needs from escalating.
- 7.21 In addition, all children and young people with ALN will have a right of appeal to the Education Tribunal for Wales (currently the Special Educational Needs Tribunal Wales). Option two, by extending the right of appeal to all learners, including those in post-16 provision, would introduce more equitable rights of appeal for children, their parents and young people.
- 7.22 The processes and practices introduced to support IDPs should facilitate the introduction of a more efficient and flexible approach to assessment and review. This would include, for example, requiring health and social services practitioners to be invited to participate in assessments and reviews only where their input would benefit the learner<sup>4</sup>. There is potential, therefore, for cost savings both in terms of professional time and in the time involved in organising and co-ordinating assessment and review meetings.
- 7.23 Learners and their families should also benefit as delays in planning and/or reviewing plans are reduced as it will be easier to organise meetings where fewer professionals are invited.
- 7.24 Having a single plan for all children and young people with ALN will remove the existing parental pressure to maintain the provision set out in a statement of SEN after the objectives of the plan have been achieved and the same level of provision is no longer warranted. This pressure stems from concern about loss of entitlement to a statutory plan if the provision is reduced. Removing the existing boundary between statutory provision for the most complex needs and non-statutory provision for learners with less complex needs will overcome this concern.

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<sup>4</sup> Currently when making an assessment a local authority must seek advice from the child's parent, the head teacher (or equivalent), the health authority, who must obtain the advice from a fully registered medical practitioner, an educational psychologist, social services authority and any other advice which the authority consider appropriate for the purpose of arriving at a satisfactory assessment (see the Education (Special Educational Needs) (Wales) Regulations 2002 (2002 No 152)).

- 7.25 Removing the distinction between statutory and non-statutory provision is expected to lead to a more flexible approach to planning which has potential to reduce cost and increase effectiveness as services could be better targeted to meet the needs of the learner.
- 7.26 Having a single plan to cover children and young people will facilitate greater consistency in ALN practices and processes, with all practitioners operating within a single regime, across early years, schools and further education.
- 7.27 In addition, a single plan has potential to improve planning around the transitions between distinct stages of education – early years, school and further education – since it is expected a single plan will promote continuity in planning. Under the current system there are a range of plans which reflect distinct education stages. A single plan should facilitate the delivery of uninterrupted provision.
- 7.28 Smooth transitions between distinct education stages should help prevent the consequences of poor transitions, whereby the benefits gained by learners during childhood are undermined when entering adulthood.

### **Risks**

- 7.29 Increasing the number of children and young people who have statutory entitlement to provision could result in increased pressure for provision.
- 7.30 Under option two, the number of young people who will have a statutory plan will increase from 13,318 to 107,668<sup>5</sup>. There is potential for a proportion of the additional 94,350 children, young people and/or their parents to have increased expectations of a statutory plan compared to their previous non-statutory plan and to challenge decisions regarding provision.
- 7.31 This may result in additional disagreements regarding provision set out in school and FEI maintained IDPs. Where this occurs, there will be cost

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<sup>5</sup> Based on 2015/16 figures and on the assumption that all the young people who are currently identified as having special educational needs are subsequently identified as having additional learning needs.

implications<sup>6</sup>. This risk is, however, considered to be low due both to the introduction of person-centred planning(PCP)<sup>7</sup> and additional workforce development, as part of the professional learning offer, including training around identifying and differentiating teaching for children and young people with additional learning needs.

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<sup>6</sup> There are not expected to be any additional appeals to tribunal since the Bill puts in place provisions around disagreement resolution which focus on ensuring where disagreements occur about an IDP or the provision it contains, the matter is considered and resolved at the most local level possible.

<sup>7</sup> Section 6 of the Bill provides for the views, wishes and feelings of children and young people to form a core element of the new system and emphasises the importance of children and young people, and their parents participating as fully as possible in the decisions that are taken in relation to their ALN and the ALP that is provided for them.

## Dispute resolution

- 7.32 Currently, local authorities are required to put in place arrangements for avoiding *or* resolving disputes in relation to decisions made about statements.
- 7.33 More generally, local authorities are required to make arrangements for avoiding or resolving disputes about special education provision between schools and children, their parents and young people.

### **Option one: do nothing**

- 7.34 Under option one, the existing approach to dispute resolution would remain.

### **Advantages**

- 7.35 There are no additional costs related to option one.

### **Disadvantages**

- 7.36 The current arrangements may not be as efficient as they could be as local authorities are not currently required to focus on avoiding disputes. Thus, there is potential for disagreements which could have been avoided to become unnecessarily confrontational and time consuming.

## **Option two: extend the scope of current arrangements**

- 7.37 Option two differs to option one in two ways. First, the scope of existing arrangements will be extended to include all young people with additional learning needs, including those in further education.
- 7.38 Second, local authorities will be required to put in place arrangements for avoiding *and* resolving disagreements. Currently, local authorities are required to put in arrangements for avoiding *or* resolving disputes.
- 7.39 Option two is the preferred option.

### **Advantages**

- 7.40 Focussing on avoiding and resolving disagreements should increase the efficiency of dispute resolution and should reduce costs to local authority education services and to children, their parents and young people by reducing instances of disagreements escalating, including avoiding disputes escalating to tribunal.
- 7.41 Evidence from a local authority which has introduced the role of additional learning needs family support officer as a way to avoid disagreements has seen a significant fall in the number of appeals to tribunal.
- 7.42 The additional learning needs family support officer is responsible for providing advice and support with assessments, statements and annual reviews, including preparation for and support at meetings<sup>8</sup>.
- 7.43 Children and young people should also benefit through having a more efficient and less formal approach to resolving disagreements.

### **Risks**

- 7.44 Having a clear requirement to have both avoidance and resolution arrangements potentially increases the costs of such arrangements. Where

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<sup>8</sup> [http://fis.carmarthenshire.gov.uk/eng/aln\\_support\\_e.htm](http://fis.carmarthenshire.gov.uk/eng/aln_support_e.htm)

this is not effectively implemented, there is a risk there will be an increase in costs without the expected savings resulting from avoiding expensive resolution or tribunal arrangements.



## Responsibility for assessing need post-16 and securing specialist further education provision

- 7.45 Currently, responsibility for assessing provision for post-16 learners with learning difficulties and/or disabilities and for securing specialist post-16 education provision for learners with the most severe needs is the responsibility of the Welsh Ministers. Careers Wales undertake assessments on behalf of the Welsh Ministers and Welsh Government officials secure placements on behalf of the Welsh Ministers.
- 7.46 During the time a young person is making the transition from school to post-16 education, the following takes place:
- as part of the annual review and transition process, schools, FEIs and/or independent specialist colleges provide information about the learner to Careers Wales
  - Careers Wales use the information when assessing the special educational needs of the learner and when drawing up the learning and skills plan
  - where a young person has complex needs which requires the support of specialist post-16 provision, Career Wales makes an application to the Welsh Ministers to consider
  - the Welsh Ministers are responsible for securing and funding post-16 specialist provision.

### **Option one: do nothing**

- 7.47 Under option one, existing responsibilities for assessing need and for securing specialist post-16 education would remain.

### **Advantages**

- 7.48 There would be no additional costs associated with option one.

## **Disadvantages**

- 7.49 Under the current arrangements, local authorities are responsible for assessing need and for securing specialist education provision for children and young people up to the age of 16 or 19 where the young person has a statement. Following this, responsibility is undertaken by Careers Wales and Welsh Government officials on behalf of Welsh Ministers.
- 7.50 There is a risk the knowledge a local authority has built up about the learner over their school career to be lost on transition. Unlike local authorities, Welsh Government officials and officials in Careers Wales have not developed relationships with the young person and, thus, have limited information on which to base decisions.
- 7.51 In addition, existing relationships end and new ones have to be developed. This can be frustrating for young people and their parents.

**Option two: make local authorities responsible for planning and securing specialist further education provision for learners with ALN**

- 7.52 Under option two, where learners have a local authority maintained IDP, responsibility for assessing need and securing post-16 specialist provision would be transferred to local authorities. The existing budget used by Welsh Ministers to plan and secure specialist post-16 provision would be transferred to local authorities when they take on these responsibilities. Thus, local authorities will not be subject to additional costs.
- 7.53 In addition, Welsh Ministers would be required to maintain, and publish, a list of independent specialist post-16 colleges.
- 7.54 Local authority education services would work directly with schools and post-16 providers to identify and secure the necessary provision to meet the learners' needs. Local authorities would not be able to place a young person in a college which is not on the list of independent specialist colleges maintained by Welsh Ministers.
- 7.55 Option two is the preferred option.

**Advantages**

- 7.56 Existing relationships would be maintained and the knowledge the local authority has built up about the young person will not be lost on transition to further education.
- 7.57 Transferring responsibility to local authorities would enable local authority education departments and local authority social services departments to collaborate when negotiating the development of, and cost of, provision. In this way, the local authority is better positioned than Welsh Government officials to encourage the development of local packages of support.
- 7.58 In addition, taking on a direct role would allow the local authority to work with local further education institutions in developing local provision for young

people with complex needs. This has potential to reduce out-of-county placements and to make associated savings. Young people and their families would benefit from the option of having local provision.

- 7.59 The Welsh Ministers' list of independent specialist colleges would provide assurance to local authorities and to young people regarding the standards and quality of teaching.

### **Risks**

- 7.60 Currently, the assessment and funding processes are undertaken by separate bodies – Careers Wales and Welsh Government. Under option two, local authorities would be both the funder and the assessor. There is a risk the objectiveness of the assessment will be less certain than it currently is. That is, the cost could be more of a determining criterion than it currently is.
- 7.61 This risk is low, since local authorities can be held to account for decisions they make in terms of provision for young people with special educational needs.
- 7.62 In addition, the Welsh Government will clarify the criteria for specialist further education placements.
- 7.63 There is a risk the knowledge Careers Wales has built up about independent specialist colleges in terms of the support they can provide specific groups of young people with additional needs will be lost. This risk is expected to be low and can be mitigated by Careers Wales passing on information to local authorities.

## Registration and approval of independent schools in respect of SEN

- 7.64 Currently, there are two separate legislative systems in operation for the registration and approval of independent schools in Wales in respect of SEN<sup>9</sup>.
- 7.65 Any establishment wishing to operate as a school in the independent sector must be registered with the Welsh Ministers. The independent school should also register if it intends to admit learners with SEN.
- 7.66 In addition, an independent school must be approved by the Welsh Ministers to generally admit children with a statement of SEN. Where independent schools are approved to generally admit children and young people with a statement of SEN they are monitored annually by Estyn.
- 7.67 Where an independent school has not been approved to admit children with a statement of SEN, it is possible for a local authority to seek the Welsh Ministers' consent to an individual placement of a child with a statement of SEN within the school. Where this is the case, Estyn does not carry out annual monitoring of these settings.
- 7.68 It is possible for parents to make their own arrangements to pay for a place for a child or young person at an independent school, which has not been approved by the Welsh Ministers, insofar as the authority maintaining the statement is satisfied the arrangements are suitable.

### **Option one: do nothing**

- 7.69 Under option one the current arrangements for registering and approving independent schools who wish to admit children and young people with a statement of SEN will remain.

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<sup>9</sup> Section 160 of the Education 2002 requires schools to register in respect of SEN and section 347 of the Education Act 1996 requires schools to gain the approval of the Welsh Ministers to admit a child with a statement of SEN.

### **Advantages**

- 7.70 There are no additional costs associated with option one.

### **Disadvantages**

- 7.71 The Two separate legislative systems which, to a certain extent, replicate each other in respect to SEN will continue.
- 7.72 Under the existing arrangements independent schools who are approved by Welsh Ministers to generally admit children and young people with a statement of SEN, can admit any child or young person with a statement, regardless of the specific level of provision required.
- 7.73 In addition, it would continue to be possible for children and young people with SEN to have a placement at an independent school which is not monitored by Estyn. This would happen where a school did not have the approval of the Welsh Ministers to generally admit children and young people with a statement of SEN but the local authority had gained consent to an individual placement of a child with a statement of SEN within the school.

## **Option two: reform the system for the registration and approval of independent schools in respect of SEN**

- 7.74 Option two would introduce a requirement for Welsh Ministers to maintain, and publish, a register of independent schools.
- 7.75 As part of the registration process, schools will be required to set out the types of additional need they are able to cater for. Prior to placing a child or young person at an independent school, the local authority must be satisfied the school can cater for the ALP required to meet the young person's additional learning needs, as set out in their IDP.
- 7.76 Option two is the preferred option.

### **Advantages**

- 7.77 The publication of the independent schools' register, combined with the changes to the registration system, would clearly set out for local authority education services and parents of learners with ALN the additional learning provision an independent school can cater for.
- 7.78 Clearer information on what a school can cater for would reduce the risk of inappropriate placements for learners with ALN into an independent school.
- 7.79 Option two provides a level of assurance to the local authority and the parent, that the independent school can meet the needs of the learner, as identified within their IDP. In addition, all independent schools who have registered their ALP will be monitored annually by Estyn, providing assurance to all children, young people and their parents about the quality and standards of teaching and provision at the school.

### **Disadvantages**

- 7.80 There are no disadvantages associated with option two.

## Statutory basis of special educational needs support co-ordinators in education

- 7.81 The existing approach to co-ordinating support for children and young people with SEN in early years settings and in schools is through a special educational needs co-ordinator (SENCo). The SENCo has responsibility for coordinating SEN provision for children including training other staff, coordinating with a range of agencies, liaising with families, teaching and supporting children and young people, and maintaining records.
- 7.82 Research findings indicate effective co-ordination of SEN provision in a mainstream school is a key determinant of effective provision for children and young people with SEN<sup>10</sup>.
- 7.83 While the SENCo is a recognised role, there is currently no requirement for early years settings, mainstream schools, pupil referral units or FEIs to have a designated member of staff who undertakes the role of a SENCo.
- 7.84 The Special Educational Needs Code of Practice for Wales has no mandatory basis and, thus, Welsh Ministers are currently unable to prescribe how the SENCo role should be undertaken. The code sets out the key responsibilities the role of a SENCo may include but provides little guidance about the time and support that should be given to the role. Consequently, there is no agreed definition of the role at either the local or national level and the role is undertaken in diverse ways.
- 7.85 FEIs do not have SENCos. Rather, young people with LLD in further education have access to the FEIs support services.

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<sup>10</sup> <http://www.assembly.wales/laid%20documents/gen-ld7255%20-%20written%20response%20to%20the%20enterprise%20and%20learning%20committee,%20rapporteur%20group%20report%20on%20support%20for%20-08102008-100412/gen-ld7255-e-english.pdf>



### **Option one: do nothing**

- 7.86 Under option one the current approach to co-ordinating provision for children and young people with SEN and LDD would continue. That is, there would be no statutory requirement for schools, or other education settings, to appoint a SENCo and no requirement for FEIs to establish support services.

### **Advantages**

- 7.87 There are no additional costs associated with option one.

### **Disadvantages**

- 7.88 Currently, there is no requirement for education settings to have SEN co-ordinators. Although schools do have them, there is no consistent approach across Wales in terms of who should be a SENCo, what qualifications the SENCo should have and how the role should be undertaken. Whilst SENCos are generally qualified teachers, it is also possible for SENCos not to be qualified teachers. The SENCo could, for example, be a higher level teaching assistant or a member of the non-teaching staff.
- 7.89 To undertake the role effectively, SENCos need specific training in assessing and teaching young people with SEN. There is, however, currently a lack of specific training and a corresponding lack of skilled SENCos.
- 7.90 There are currently issues regarding the extent to which teachers are trained to assess and teach young people with SEN (see for example Rose, 2010). A recent study commissioned the Welsh Government, (Holtom et al, 2010)<sup>11</sup> concluded education staff were generally confident in their skills and knowledge in relation to SEN. The evidence from the study suggests, with the important exceptions of assessment and differentiation<sup>12</sup>, this confidence is reasonably well-founded.

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<sup>11</sup> <http://dera.ioe.ac.uk/22888/1/150330-sen-en.pdf>

<sup>12</sup> Differentiation refers to an educational approach that requires teachers to tailor their learning, teaching and assessment whilst adjusting the curriculum to the needs of children, including those with SEN, rather than expecting pupils to fit the existing curriculum (Cole, R, (2008), Educating

- 7.91 Lack of training for SENCos and teachers can result in some schools having limited capacity to deal with SEN and prevent unnecessary recourse to local authority assessment (see for example Rose, 2010).
- 7.92 In addition, parents have expressed concerns about inconsistencies in the effectiveness and quality of service from the SENCos at their children's school<sup>13</sup>.

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Everybody's Children: diverse strategies for diverse learners, Association for Supervision and Curriculum Development, Google Books, <http://books.google.co.uk/books?id=ixmW-porsOAC>; Rogers, C. (2007), Experiencing an Inclusive Education: parents and their children with special educational needs, British Journal of Sociology of Education, 28, 1, pg 55-68.

<sup>13</sup> Welsh Government (2008) Statements or something better: summary of progress to date and the next steps. Available at: <http://gov.wales/dcells/publications/publications/guidanceandinformation/ellsomiteerecommendations/summaryprogressenglish?lang=en>

### **Option two: introduce a statutory ALN support co-ordinator role**

- 7.93 Under option two, a statutory role of ALN coordinator (ALNCo) would be introduced. All education settings, other than special schools, would be required to appoint an ALNCo.
- 7.94 It is expected within schools and maintained early years settings<sup>14</sup>, the ALNCo will be a qualified teacher and within FEIs the ALNCo will be a teaching practitioner.
- 7.95 In addition, all ALNCoS will have to have undertaken a masters level programme of training.
- 7.96 Option two is the preferred option.

### **Advantages**

- 7.97 The requirement to appoint an ALNCo will extend current practice. Under option two, all education settings including pupil referral units and FEIs will be required to appoint an ALNCo.
- 7.98 Making the ALNCo a statutory role would have the benefit of ensuring the role is clearly defined within the code, which would lead to a consistent approach to the coordination role across Wales.
- 7.99 A specific masters level qualification will provide the training necessary for the ALNCo to effectively fulfil the responsibilities of the role, including training and supporting other staff.
- 7.100 The statutory role of the ALNCo, together with other policy initiatives, including workforce development through the professional learning offer, should raise capacity within schools to deal with ALN and prevent unnecessary recourse to local authority assessment.

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<sup>14</sup> Independent early years settings will not be required to have an ALNCo but will be required to refer young people with ALN to the local authority.

### **Disadvantages**

- 7.101 There are no disadvantages associated with option two.

### **Risks**

- 7.102 There is a risk the new ALNCo requirements may be perceived as creating too much of a burden, which may put people off remaining, or becoming, an ALNCo.
- 7.103 This risk is, however, considered to be small due to the work the Welsh Government will undertake to avoid the role becoming too burdensome. This will include, for example, working with local authorities and teachers to develop the ALNCo role; consulting on the detail of the role as set out in regulation; and providing teacher training and support linked to the professional learning offer.

## Statutory basis of strategic co-ordinators in health

- 7.104 There is currently no requirement for health boards to appoint a lead role or single point of contact with strategic responsibility for health related provision for children and young people with SEN.

### **Option one: do nothing**

- 7.105 Under option one, the existing approach to provision would continue. That is, health boards would continue to adopt diverse approaches to the strategic development, co-ordination and oversight of provision for children and young people with SEN.

### **Advantages**

- 7.106 There are no additional costs associated with option one.

### **Disadvantages**

- 7.107 Although health boards currently secure SEN provision, which is overseen and coordinated to some degree, there is no formalised leadership role. It is not, therefore, consistently or strategically overseen across the Welsh NHS, nor is it necessarily prioritised at a central, strategic level. There is no single, identifiable role and thus, no common job title or set of responsibilities.

## **Option two: introduce a statutory role of designated medical or clinical officer**

- 7.108 Option two would introduce a statutory role of designated educational clinical lead officer (DECLO). Health boards would be required to appoint a DECLO
- 7.109 The DECLO would be responsible for establishing efficient systems to ensure the health services involved in ALN assessment (including speech and language therapy, occupational therapy, physiotherapy, child and adolescent mental health services, community paediatrics and learning disability services, primary care teams including GPs, health visitors and school nurses) are skilled to undertake appropriate, timely assessments, make evidence based recommendations on effective interventions, monitor outcomes, quality assure advice and benchmark across health boards to reduce any variation in practice or expectations.
- 7.110 The DECLO will be a registered health professional with clinical qualifications and senior experience in an aspect of healthcare relevant to ALN, including but not confined to medical (primary or secondary care), nursing, midwifery, allied health or public health.
- 7.111 It is expected the time allocated to the role will be one day per week per 200,000 population or per 40,000 children and young people. This equates to three full time positions, spread across the seven health boards.
- 7.112 Option two is the preferred option.

## **Advantages**

- 7.113 Appointing a DECLO within health boards would have the benefit of facilitating effective co-ordination of health board ALN provision and effective collaboration between health boards and local authority education services in the delivery of services for learners with ALN. The DECLO would also ensure there was a single point of contact for local authorities and others within health boards on ALN matters. In addition, the appointment of the DECLO should

ensure ALN provision becomes a strategic priority for health boards, which has potential to improve the effectiveness of provision.

- 7.114 The DECLO is expected to have benefits to the learner by overseeing the embedding of effective practices and systems in relation to ALN and ensuring any health provision agreed by the health board is then provided.
- 7.115 It is expected the introduction of the DECLO will result in cost savings for health boards since there will be a co-ordinated approach to ALP which has potential to reduce duplication.

### **Risks**

- 7.116 Although the responsibilities of the DECLO are currently being undertaken by health boards, there is a risk the introduction of a formal role of DECLO will have cost implications.

## 8. Costs and benefits

### Introduction

- 8.1 This chapter sets out the costs and benefits associated with the options outlined in chapter six. The costs and benefits have been informed by key stakeholders<sup>15</sup>, work undertaken by Holtom et al (2012)<sup>16</sup> and Deloitte (2015)<sup>17</sup>, and analysis undertaken by Welsh Government officials.
- 8.2 In 2012, the Welsh Government published interim research (Holtom et al, 2012) into the costs and benefits of the statutory reform of special educational needs. The research considered the cost of initiatives undertaken during the piloting phase of the reforms. Where possible, costs have been drawn from this work to inform the costs and benefits of the proposals set out in the Bill.
- 8.3 In 2014, the Welsh Government commissioned Deloitte to undertake a review to investigate the costs associated with supporting learners with SEN or LDD under the current legislative framework in Wales. This included total costs and individual costs associated with:
- assessing need;
  - providing support;
  - undertaking reviews; and
  - disputes and appeals.
- 8.4 Deloitte analysed publicly available data and collected data from key stakeholders such as local authorities, FEIs, schools and Careers Wales (see Table 1 below).

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<sup>15</sup> Including stakeholders from SENTW, Estyn, Careers Wales, WLGA and SNAP Cymru.

<sup>16</sup> Holtom et al (2012) Programme of Action Research to Inform the Evaluation of the Additional Learning Needs Pilot: interim report on the costs of the statutory reform of special educational needs provision.

<sup>17</sup> Deloitte (2015) An Examination of the Provision of Funding for Learners with Special Educational Needs or Learning Difficulties and/or Disabilities (Welsh Government: Cardiff).  
<http://gov.wales/docs/dcells/publications/150706-final-report-en.pdf>



- 8.5 The financial data collected by Deloitte refers to 2011-12 to 2013-14. These figures are used throughout this regulatory impact assessment, where it is the most up-to-date information available. The 2013-14 prices have also been set out in present day (2016-17) prices using the GDP deflator series. In addition, for comparative purposes, all costs have been set out in 2016-17 prices.

Table 1: data sources

Body	Data source
Health boards	NHS programme budget expenditure <sup>18</sup>
Local authority education	RO expenditure <sup>19</sup> Survey data collected by Deloitte
Local authority social services	RO expenditure <sup>20</sup>
Further education institutions (FEIs)	Total FEI funding allocations Total mainstream and discrete funding allocations Survey data collected by Deloitte
Schools	Section 52 outturn statement <sup>21</sup> Pupil level annual school census (PLASC) <sup>22</sup> Survey data collected by Deloitte
Careers Wales	Survey data collected by Deloitte
Special Educational Needs Tribunal Wales (SENTW)	SENTW annual reports <sup>23</sup>

- 8.6 In addition to above sources, data from the Welsh Government lifelong learning Wales record (LLWR) was used<sup>24</sup>.
- 8.7 It was not possible, however, for Deloitte to collect all the data required to assess the costs and benefits of the proposals set out in the Bill. This was in large part because there is no requirement for schools, colleges or health boards in Wales to report on the amounts spent on SEN and/or LDD.

<sup>18</sup> <http://wales.gov.uk/statistics-and-research/nhs-expenditure-programme-budgets/?lang=en>

<sup>19</sup> <https://statswales.wales.gov.uk/Catalogue/Local-Government/Finance/Revenue/Outturn>

<sup>20</sup> <https://statswales.wales.gov.uk/Catalogue/Local-Government/Finance/Revenue/Outturn>

<sup>21</sup> <https://statswales.wales.gov.uk/Catalogue/Local-Government/Finance/Revenue/Delegated-School-Outturn>

<sup>22</sup> <http://gov.wales/statistics-and-research/schools-census/?lang=en>

<sup>23</sup> <http://sentw.gov.uk/about/areports/?lang=en>

<sup>24</sup> Statistics on learners in post-16 education and training, excluding those at schools but including those at Further Education Institutions, other Work-based Learning providers and Community Learning provision collected via the Welsh Government's Lifelong Learning Wales Record (LLWR). <https://statswales.wales.gov.uk/Catalogue/Education-and-Skills/Post-16-Education-and-Training/Further-Education-and-Work-Based-Learning/Lifelong-Learning-Wales-Record>

- 8.8 In addition, although local authorities currently report on SEN spending through the revenue outturn (RO) reports to the Welsh Government (of which SEN spending is a subset), this is not disaggregated by assessment, review, provision, disputes or reviews.
- 8.9 Where actual figures have not been available or where estimates have not previously been made, officials have estimated costs and benefits.
- 8.10 The costs set out within this RIA should, therefore, be considered as the best estimates based on the findings reported by Holtom et al (2012), Deloitte, estimates made by officials and the available evidence. For a number of the elements, assumptions have had to be made in order to produce the estimates. Generally, where this is the case, the costs have been rounded to the nearest £100 to reduce the risk of spurious accuracy.
- 8.11 In some instances, it has not been appropriate to round the estimated cost to the nearest £100. This includes, for example, where the estimated cost is less than £50 and rounding to the nearest £100 would remove the cost. As a consequence, the total costs of options one and two, as set out in Table 69 and Table 70, are not rounded to the nearest £100.
- 8.12 Table 2 shows, in 2015-16, there were 477,549 children and young people in Wales in maintained schools<sup>25</sup>, independent schools or otherwise educated by the local authority (EOTAS). Of these, 94,350 (20%) had SEN, support for which was being delivered through a non-statutory plan (early years action, school action, early years action plus or school action plus); and 13,318 (3%) had SEN, support for which was being delivered through a statutory plan (statement of SEN). In total, in 2015-16 there were 107,668 children and young people in education settings in Wales with a SEN.

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<sup>25</sup> Including maintained nursery schools.

Table 2: Number of children and young people with SEN in education settings in Wales

	2011-12	2012-13	2013-14	2015-16
<b>Maintained</b>				
Total number of pupils in a maintained setting <sup>26</sup>	465,943	464,868	465,081	466,555
Early Years (EY)/School Action (SA) and EY/SA Plus	89,940	91,053	92,773	92,709
With statement	13,098	12,738	12,530	12,434
<b>Maintained SEN total</b>	<b>103,038</b>	<b>103,791</b>	<b>105,303</b>	<b>105,143</b>
<b>Independent</b>				
Total number of pupils in an independent setting <sup>27</sup>	8,929	8,862	8,603	8,880
School Action (SA) and SA Plus <sup>28</sup>	1,009	1,043	1,092	813
With statement <sup>29</sup>	343	386	388	412
<b>Independent SEN total</b>	<b>1,352</b>	<b>1,429</b>	<b>1,480</b>	<b>1,225</b>
<b>Education other than at school (EOTAS)<sup>30</sup></b>				
Total number of EOTAS pupils	2,577	2,577	2,367	2,114
School Action (SA) & SA Plus	557	589	635	828
With statement	365	443	424	472
<b>EOTAS SEN Total</b>	<b>922</b>	<b>1,032</b>	<b>1,059</b>	<b>1,300</b>
Total number of pupils	477,449	476,307	476,051	477,549
Total SA and SA Plus	91,506	92,685	94,500	94,350
Total with statement	13,806	13,567	13,342	13,318
<b>Total SEN Provision</b>	<b>105,312</b>	<b>106,252</b>	<b>107,842</b>	<b>107,668</b>

Source: StatsWales<sup>31</sup>

<sup>26</sup> <https://statswales.gov.wales/Catalogue/Education-and-Skills/Schools-and-Teachers/Schools-Census/Pupil-Level-Annual-School-Census/Pupils/pupils-by-localauthorityregion-agegroup>

<sup>27</sup> <https://statswales.gov.wales/Catalogue/Education-and-Skills/Schools-and-Teachers/Schools-Census/Independent-Schools/Pupils/number-by-localauthorityregion-agegroup>

<sup>28</sup> <https://statswales.gov.wales/Catalogue/Education-and-Skills/Schools-and-Teachers/Schools-Census/Independent-Schools/Special-Educational-Needs/senbutnostatement-by-year>

<sup>29</sup> <https://statswales.gov.wales/Catalogue/Education-and-Skills/Schools-and-Teachers/Schools-Census/Independent-Schools/Special-Educational-Needs/senstatement-by-year>

<sup>30</sup> <http://gov.wales/statistics-and-research/pupils-educated-other-than-school/?lang=en>

<sup>31</sup> <https://statswales.wales.gov.uk/Catalogue/Education-and-Skills/Schools-and-Teachers/Schools-Census/Pupil-Level-Annual-School-Census/Special-Educational-Needs/pupilssen-by-localauthorityregion-provision>

- 8.13 The number of children and young people recorded as having SEN from 2011-12 to 2015-16 has been relatively stable at 23% of pupil population. During this period, the number of children and young people in Wales with a statement of SEN also remained relatively stable at around 3% of the pupil population.
- 8.14 Table 3 below shows in 2014-15, there were 73,195 children and young people aged up to 25 enrolled in mainstream FEIs. Of these, 9,025 (12%) identified themselves as having an LDD<sup>32</sup>, of which 120 (0.2%) identified themselves as having profound and multiple learning difficulties<sup>33</sup>. In addition, there were 298 young people in independent specialist colleges who received specialist provision to meet their LDD needs. That is, there were a total of 9,323 young people in further education in Wales during 2014-15 who identified themselves, or were identified as having LDD. Since young people in further education do not have to declare LDD, it is possible the actual number of young people in further education with LDD was higher.

Table 3: Number of young people aged up to 25 in further education provision who have a learning disability and/or a physical disability

	2012-13	2013-14	2014-15
Total Mainstream FE enrolled	81,460	78,920	73,195
Mainstream FE LDD (includes physical disability)	7,695	8,220	9,025
Independent Specialist College	250	278	298
Total Learners with LDD	7,945	8,498	9,323

Source: Stats Wales<sup>34</sup>

<sup>32</sup> Including profound and multiple learning difficulties.

<sup>33</sup> In 2014-15 there were a total of 9,025 young people in FEI under 25 who had a learning difficulty and/or disability including those young people with PMLD. The breakdown by age group for young people with LDD excluding PMLD is: under 16 - 270, 16 - 2,300, 17 - 2,055, 18 - 1,295, 19 - 945 and 20-24 - 2,040. The breakdown by age group for young people with PMLD is: under 16 - 0, 16 - 30, 17 - 20, 18 - 15, 19 - 20 and 20-24 - 35. That is there were 8,905 young people with LDD and 120 with PMLD - a total of 9,025.

See <https://statswales.gov.wales/Catalogue/Education-and-Skills/Post-16-Education-and-Training/Further-Education-and-Work-Based-Learning/Learners/Further-Education/uniquelearnersenrolledfurthereducationinstitutions-by-primarydisability-gender>

<sup>34</sup> Unique learners enrolled at further education institutions by primary disability and/or learning difficulty and gender

- 8.15 As Table 4 shows, the estimated total cost of delivering SEN/LDD provision in Wales in 2016-17 prices is £365.4m. The majority of the costs - £324.6m (89%) - fell on local authority education services and on schools.

Table 4: estimated cost by sector of delivering the current SEN/LDD system in Wales, 2011-12 to 2013-14

Sector	2011-12 (£m)	2012-13 (£m)	2013-14 (£m)	Total 2011/12 - 2013/14	2016-17 <sup>35</sup> (£m)
Welsh Government <sup>36</sup>	8.9	9.7	10.4	29.00	10.7
Local authority Education Services	167.5	155.7	138.4	461.6	142.8
Local authority Social Services	5.6	5.8	6.1	17.5	6.3
Schools	157.1	178.3	176.2	511.6	181.8
FEIs	7.3	7.4	7.5	22.2	7.7
Health boards	13.7	14.1	14.7	42.5	15.2
Careers Wales	0.8	0.7	0.7	2.2	0.7
SENTW <sup>37</sup>	0.1	0.2	0.1	0.4	0.2
<b>Total</b>	<b>361.0</b>	<b>371.9</b>	<b>354.1</b>	<b>1087.0</b>	<b>365.4</b>

Source: Deloitte (2015)

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<https://statswales.wales.gov.uk/Catalogue/Education-and-Skills/Post-16-Education-and-Training/Further-Education-and-Work-Based-Learning/Learners/Further-Education/uniquelearnersenrolledfurthereducationinstitutions-by-primarydisability-gender>

<sup>35</sup> 2013-14 prices uprated to 2016-17 prices.

<sup>36</sup> Cost of administering and funding post-16 specialist placements.

<sup>37</sup> The costs to SENTW set out in this section refer to cost incurred from hearing related costs including the president, members add hearing venue costs. In addition, reimbursement of expenses and training for members are included. The costs do not include administrative costs.

## Executive summary

- 8.16 The executive summary provides an overview of the cost of doing nothing and the cost of implementing the preferred options. The preferred option in each case is option two. Further detail can be found in the summary of cost and benefits.
- 8.17 Overall, the regulatory impact assessment suggests there could be a total additional cost of £7,853,200 over the four year period 2017-18 to 2020-21 (see Table 69), when all cost to public administration are taken into account. This is an average cost of approximately £1,963,300 per year.
- 8.18 There is potential for the provisions within the Bill to realise an ongoing cost saving to public administration of £3,675,260 over the four-year period 2017-18 to 2020-21 (see Table 69). The estimated savings in ongoing costs each year from 2017-18 is £918,815. The majority of the estimated savings are expected to be achieved from provisions in the Bill which aim to remove the current adversarial nature of the statement process. As set out below, there are risks associated with the extent to which the potential savings will be realised.
- 8.19 In addition to the costs and benefits incurred by public administration, it is expected independent schools, parents and dispute resolution service providers will incur costs and benefits. As set out in Table 71, independent schools are estimated to incur additional costs of £17,300 over the four year period (£4,325 per year); parents are estimated to benefit from savings of approximately £3,329,500 (£832,375 a year); and dispute resolution services providers are estimated to benefit from savings of £293,840 over the four year period (£73,460 a year). This saving is made up of both financial savings and opportunity savings, whereby savings will be made in volunteer time spent on resolving disagreements which in turn allows volunteers undertake other activities.

- 8.20 The discussion below considers in more detail the costs and benefits of implementing the preferred options. The Bill does not contain any provision charging expenditure on the Welsh Consolidated Fund.

### **Welsh Government transition costs**

- 8.21 As Table 5 below sets out, the Welsh Government expects to incur transition costs estimated at approximately £1,972,510 between 2017-18 and 2020-21 to support the implementation of changes proposed in the Bill. In addition to the costs set out below, the Welsh Government has made a number of grants available to support stakeholders to implement the bill.

Table 5: Welsh Government transition costs

	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>Total</b>
ALN Strategic Implementation Group (SIG) Expert Groups	5,000	5,000			<b>10,000</b>
Development of core skills, awareness raising and resources	100,000	50,000	135,000	105,000	<b>390,000</b>
Compliance and impact monitoring	80,000	130,000			<b>210,000</b>
Implementation project management	217,600	217,600	123,000		<b>558,200</b>
Code of practice development	76,220				<b>76,220</b>
Policy and guidance revision	18,000				<b>18,000</b>
Careers Wales		354,700	354,700		<b>709,400</b>
Post-16 specialist placements	320				<b>320</b>
Registration of independent schools	370				<b>370</b>
<b>Totals</b>	<b>497,510</b>	<b>757,300</b>	<b>612,700</b>	<b>105,000</b>	<b>1,972,510</b>

- 8.22 The Welsh Government is funding a number of activities to support the implementation of the Bill. This includes allocating funding of £10,000 to support the ongoing work of the ALN-SIG and expert groups in preparing for

implementation of the Additional Learning Needs and Education Tribunal (Wales) Bill between 2017-18 and 2020-21.

- 8.23 £210,000 is expected to be spent between 2017-18 and 2020-21 on work to monitor compliance with the new legislative requirements and to assess the extent to which the legislative changes are embedded and making an impact on outcomes for learners.
- 8.24 Between 2017-18 and 2020-21, it is estimated the Welsh Government will spend approximately £390,000 on developing training resources, cores skills development and awareness-raising activities to support the implementation of the Bill. Awareness-raising activities will also focus on engaging stakeholders about their new legislative duties, and explaining and promoting the system and the rights it confers to children, young people and parents.
- 8.25 The Welsh Government will incur some costs associated with managing the above programmes of work to support implementation. This will include managing awareness-raising, grant administration and managing the monitoring and evaluation of the Bill. This is estimated to cost £558,200 between 2017-18 and 2020-21.
- 8.26 In addition, the Welsh Government will incur transition costs associated with developing a new Additional Learning Needs code to support the implementation of the new legislative framework. The cost to produce the code will be approximately £46,220. This is based on one full-time higher executive officer for a year and a head of branch for two weeks. The code would also require consultation, translation and promotion at an approximate cost of £30,000. The total cost of producing the code would, therefore, be approximately £76,220.
- 8.27 The Welsh Government will incur transition costs associated with updating guidance and policy materials, estimated to cost £18,000.



- 8.28 The Welsh Government will continue to fund Careers Wales during the two year period 2018-19 to 2019-20. Thus, there is a transition cost to the Welsh Government of approximately £709,400.
- 8.29 Transitions costs of £320 will be incurred as a result of implementing changes to post-16 specialist placements and £370 will be incurred as a result of implementing changes to the registration of independent schools.

## Plans to support children and young people with additional learning needs

- 8.30 As set out above, the financial data collected by Deloitte refers to 2011-12 to 2013-14. These figures have been used within this section on plans to support young people with additional learning needs, where it is the most up-to-date information available. The 2013-14 prices have also been set out in present day (2016-17) prices using the GDP deflator series. In addition, for comparative purposes, all costs have been set out in 2016-17 prices.

### **Option one: do nothing**

- 8.31 Under option one, current practice would remain in respect of education plans to support children and young people with additional learning needs.
- 8.32 Depending on the statutory basis of their additional learning provision and the stage the child or young person is in their education, a child or young person will have one of the following plans: a statutory statement of special educational needs, a non-statutory individual education plan, a statutory learning and skills plan or a non-statutory college based plan.
- 8.33 There are no additional ongoing costs to option one.

### **Summary of costs**

- 8.34 Table 6 below sets out the cost of the current processes and practices associated with plans to support young people with additional learning needs. The total ongoing cost to public administration in 2016-17 is estimated to be £28,536,850. Table 7 sets out the total ongoing cost to parents in 2016-17 being an estimated £3,678,600 and the ongoing cost to dispute resolution service providers is estimated to be £320,510. In total, therefore, option one is estimated to have ongoing costs of £32,526,460 in 2016-17.

Table 6: do nothing summary of ongoing costs to public administration by organisation, 2016-17 prices

	<b>2016-17 (£)</b>	<b>Total (£)</b>
<b>Local authority education services</b>		
Statutory assessments	7,980,700	
Statutory reviews	4,023,600	
Local authority disagreement resolution services – disagreements	384,950	
Responding to disagreements	1,633,100	
Local authority disagreement resolution services – appeals	5,300	
Responding to appeals	1,083,300	
<b>Total</b>	<b>15,110,950</b>	
<b>Local authority social services</b>		
Statutory assessments	307,800	
Statutory reviews	182,100	
<b>Total</b>	<b>489,900</b>	<b>15,600,850</b>
<b>Mainstream schools</b>		
Statutory assessments	1,410,100	
Statutory reviews	1,547,000	
Non-statutory assessments	2,959,300	
Non-statutory reviews	2,158,300	
<b>Total</b>	<b>8,074,700</b>	
<b>Special schools</b>		
Statutory assessments	0	
Statutory reviews	938,700	
<b>Total</b>	<b>938,700</b>	<b>9,013,400</b>
<b>Local health boards</b>		
Statutory assessments	1,829,100	
Statutory reviews	1,082,600	
<b>Total</b>	<b>2,911,700</b>	
<b>Careers Wales</b>		
Assessments – learning and skills plans	354,700	
Reviews	274,800	
<b>Total</b>	<b>629,500</b>	
<b>SENTW</b>	152,000	
<b>Total</b>	<b>152,000</b>	
<b>Further education institutions</b>		
Reviews	228,600	
Disagreements	800	
Appeals – PMLD	0	
Appeals – LDD	0	
<b>Total</b>	<b>229,400</b>	
<b>Total</b>	<b>28,536,850</b>	

Table 7: do nothing summary of ongoing costs to parents and to disagreement resolution service providers, 2016-17 prices

		<b>2016-17 (£)</b>
<b>Parents</b>		
	Appeals	817,550
	Disagreements	2,861,050
<b>Total cost to parents</b>		<b>3,678,600</b>
<b>Service providers</b>		
	Dispute resolution services - disagreements – subsidy	288,710
	Dispute resolution services – appeals - subsidy	31,800
<b>Total cost to service providers</b>		<b>320,510</b>

8.35 The cost of the current system comprises of costs associated with:

- statutory assessments and reviews
- non-statutory assessments and reviews
- disagreements and appeals related to statements.

8.36 Table 8 shows the estimated cost of undertaking statutory assessments and reviews was approximately £19,931,200 in 2016-17 prices. Of this, approximately £11,882,400 was spent on assessment and £8,048,800 was spent on review.

Table 8: summary of total cost of undertaking statutory assessment and review 2016-17 prices, by organisation

	Statutory assessment (£)	Statutory review (£)	Total (£)
Local authority education services	7,980,700	4,023,600	12,004,300
Local authority social services	307,800	182,100	489,900
Mainstream schools	1,410,100	1,547,000	2,957,100
Special schools <sup>38</sup>	0	938,700	938,700
Local health boards	1,829,100	1,082,600	2,911,700
Careers Wales	354,700	274,800	629,500
<b>Total</b>	<b>11,882,400</b>	<b>8,048,800</b>	<b>19,931,200</b>

Table 9: summary of total cost of undertaking non-statutory assessment and review, 2016-17 prices

	Non-statutory assessment (£)	Non-statutory review (£)	Total (£)
Mainstream schools	<b>2,959,300</b>	<b>2,158,300</b>	<b>5,117,600</b>

8.37 Table 9 above sets out the estimated costs of undertaking non-statutory assessments and reviews<sup>39</sup>. The estimated total cost of undertaking non-statutory assessments was approximately £5,117,600 in 2016-17 prices, of which approximately £2,959,300 was spent on non-statutory assessments and approximately £2,158,300 was spent on non-statutory reviews.

8.38 In addition to the costs of undertaking statutory assessments and reviews, local authorities, SENTW and parents incur costs relating to disagreements with, and appeals against, decisions made in relation to statutory assessments and reviews.

<sup>38</sup> Deloitte (2015) state, 'There is no estimated investment for 'assessment of need' which is not to say there is no activity related to 'assessment of need' but that special schools found it challenging to disaggregate 'assessment of need' activity from everyday support provided to learners as they are 'always assessing the needs of learners' rather than it being a discrete activity' (page 20).

<sup>39</sup> The costs are shown as falling only on mainstream schools. Although it is possible other agencies would have been involved, to a limited extent, in non-statutory assessments and reviews, Deloitte (2015) did not collect data disaggregated by statutory and non-statutory plans. All costs falling on local authority education services, social services and health services have been allocated to statutory plans.

8.39 Table 10 below sets out the estimated costs associated with resolving disagreements about statements. The total cost per year for resolving disagreements is estimated to be approximately £5,167,810 (in 2016-17 prices). It is estimated local authorities spend approximately £2,018,050 a year on resolving disagreements. Of this, it is estimated £1,633,100 is incurred as a result of responding to disagreements and £384,950 is incurred as a result of funding dispute resolution services to support children, young people and parents who have a disagreement with local authorities. Providers of dispute resolution services are estimated to incur costs of approximately £288,710 as a result of subsidising the cost of dispute resolution services for disagreements. In addition, parents are estimated to incur costs of £2,861,050 as a result of disagreements with local authorities about statements.

Table 10: summary of total costs for resolving disagreements about statements, 2016-17 prices<sup>40</sup>

	<b>Cost per year (£)</b>
Local authority cost of responding to disagreements	1,633,100
Dispute resolution services - disagreements - cost to local authority	384,950
Dispute resolution services –disagreements - cost to service providers	288,710
Average cost to parents	2,861,050
<b>Total</b>	<b>5,167,810</b>

8.40 As Table 11 sets out, the estimated total cost relating to disagreements about statements which progress to the Special Educational Needs Tribunal Wales (SENTW) is £2,089,950. It is estimated local authorities spent approximately £1,088,600 a year in appeal related costs, made up of approximately £1,083,300 in defence related costs and £5,300 in dispute resolution services to support children, young people and parents. Providers of dispute resolution services are estimated to incur costs of approximately £31,800 subsidising the

<sup>40</sup> See Table 16 for local authority and service provider costs and Table 44 for average cost to parents.

cost of the service. Parents are estimated to spend approximately £817,550 a year in appeal related costs.

Table 11: summary of costs incurred as a result of appeals to SENTW, 2016-17 prices

	2016-17 prices (£)
SENTW <sup>41</sup>	152,000
Local authority cost of defending an appeal	1,083,300
Dispute resolution services - appeals - cost to local authorities	5,300
Dispute resolution services - appeals - cost to service providers	31,800
Parents <sup>42</sup>	817,550
<b>Total</b>	<b>2,089,950</b>

- 8.41 The following section sets out the detailed costs associated with statutory and non-statutory plans to support young people with ALN.

<sup>41</sup> Costs to SENTW set out in this section refer to programme costs only and do not include administrative costs.

<sup>42</sup> Costs to parents range from £5,522 where a parent uses advocacy services to £9,572 where parents do not access advocacy themselves but fund total professional costs. Source: Kids First (2013).

## **Costs by Sector**

### **Local authority education services**

- 8.42 Deloitte (2015)<sup>43</sup> estimates local authority education services total investment in special educational needs (SEN) between 2011-12 and 2013-2014, was £461,600,000<sup>44</sup>.

### **Statutory assessment**

- 8.43 Since local authorities have diverse processes for planning SEN provision, including the number of staff, the grade of staff and the time involved in the process, it has not been possible to identify the actual cost of undertaking an assessment. It is, however, possible to estimate an average cost per assessment based on the estimated costs Deloitte (2015) identifies as being spent by local authority education services on assessment and the number of assessments undertaken by local authorities each year.
- 8.44 Deloitte estimate local authority education services spent approximately £461,600,000 between 2011-12 and 2013-14. Of this, an estimated £25,800,000 was spent on assessments. That is, approximately 6% of local authority education services spend was spent on assessments.
- 8.45 Data on the number of assessments undertaken by local authority education services was collected until 2012<sup>45</sup>. Thus, the actual number of assessments undertaken for 2013-14 is not available. It was, however, possible to estimate the number of assessments undertaken during 2013-14 by using the estimated average cost of assessments during 2011-12 and 2012-13.

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<sup>43</sup> Deloitte (2015) An Examination of the Provision of Funding for Learners with Special Educational Needs or Learning Difficulties and/or Disabilities (Welsh Government: Cardiff).  
<http://gov.wales/docs/dcells/publications/150706-final-report-en.pdf>

<sup>44</sup> This includes both statutory and non-statutory plan expenditure, funding of places for under-5s with SEN who are not in a maintained nursery and SEN inter-authority payments.

<sup>45</sup> <http://dera.ioe.ac.uk/17898/1/130619-pupils-statements-special-educational-needs-january-2013-en.pdf>



- 8.46 In 2011-12, local authorities undertook a total of 1,944 assessments<sup>46</sup> at an estimated total cost of approximately £9,362,000. The estimated average cost to local authorities of an assessment during 2011-12 was, therefore, approximately £4,800.
- 8.47 In 2012-13, local authorities undertook a total of 1,870 assessments at an estimated cost of approximately £8,702,500, giving an estimated average cost of £4,650 per assessment. Based on the assumption the cost of undertaking assessments during 2013-14 was broadly the same as that during 2011-12 and 2012-13, it is possible to estimate the number of assessments undertaken in 2013-14.
- 8.48 Local authority estimated spend on assessments during 2013-14 was £7,735,500. Using the 2013-14 spend and the average estimated cost of £4,750 for undertaking an assessment between 2011-12 and 2012-13, an estimated 1,634 assessments were undertaken in 2013-14 (see Table 12 below).

Table 12: local authority education services estimated spend on assessment by year

	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2016-17 prices<sup>47</sup></b>
Total SEN spend (£)	167,500,000	155,700,000	138,400,000	142,786,300
Estimated spend on assessment (£)	9,362,000	8,702,500	7,735,500	7,980,700
Number of assessments	1,944	1,870	1,634	1,629
Cost per assessment (£)	4,800	4,650	4,750	4,900

- 8.49 The estimated cost to local authorities for undertaking assessments in 2016-17 prices is £7,980,700 per year.

### **Cost of assessment by local authority**

<sup>46</sup> Includes completed and ongoing assessments.

<sup>47</sup> 2013-14 costs uprated to 2016-17 prices.

- 8.50 Data on the number of assessments completed was collected by each of the 22 local authorities in Wales until 2012. It was possible, therefore, to work out spend per local authority for 2011-12 and 2012-13.
- 8.51 The cost per local authority for 2013-14 was estimated by taking the average number of assessments undertaken between 2011-12 and 2012-13 by each local authority as a proportion of the total average number of assessments undertaken between 2011-12 and 2012-13.
- 8.52 The proportion was used to estimate how many of the total estimated 1,634 assessments each local authority undertook.
- 8.53 Table 13 below sets out the estimated spend on undertaking assessments by local authority.

#### **Time spent on assessments**

- 8.54 Deloitte (2015) estimates the time taken to review requests for statutory assessments (to determine whether a statement of SEN is required) ranges from 1 to 2.25 hours and the time taken to perform statutory assessments ranges from 24 to 65 hours. Reviewing requests and undertaking statutory assessments is, therefore, estimated to take local authorities between 25 hours to 67.25 hours per statutory assessment.

Table 13: number of assessments<sup>48</sup> per year by local authority

<b>Local authority</b>	<b>Assessments actual</b>		<b>Assessments estimated</b>	<b>Estimated cost (£)</b>			
	2011	2012	2013	2011-12	2012-13	2013-14	2016-17
Isle of Anglesey	32	32	27	154,110	148,920	129,800	133,910
Gwynedd	62	76	59	298,580	353,680	279,890	288,760
Conwy	37	35	31	178,190	162,880	146,030	150,660
Denbighshire	46	30	33	221,530	139,610	154,140	159,030
Flintshire	66	72	59	317,850	335,070	279,890	288,760
Wrexham	46	49	41	221,530	228,030	192,680	198,790
Powys	69	51	51	332,290	237,340	243,380	251,090
Ceredigion	12	2	6	57,790	9,310	28,390	29,290
Pembrokeshire	45	73	51	216,710	339,720	239,330	246,920
Carmarthenshire	202	176	162	972,800	819,060	766,660	790,960
Swansea	189	177	157	910,200	823,710	742,320	765,850
Neath Port Talbot	130	159	124	626,060	739,940	586,150	604,730
Bridgend	47	80	54	226,350	372,300	257,580	265,740
Vale of Glamorgan	37	44	35	178,190	204,760	164,280	169,490
Rhondda Cynon Taf	167	193	154	804,250	898,170	730,150	753,290
Merthyr Tydfil	32	47	34	154,110	218,730	160,230	165,310
Caerphilly	115	106	95	553,820	493,300	448,230	462,440
Blaenau Gwent	117	20	59	563,450	93,080	277,860	286,670
Torfaen	47	26	31	226,350	121,000	148,060	152,750
Monmouthshire	58	41	42	279,320	190,800	200,790	207,150
Newport	146	170	135	703,110	791,130	640,910	661,220
Cardiff	242	211	194	1,165,430	981,940	918,770	947,890
<b>Total</b>	<b>1944</b>	<b>1870</b>	<b>1634</b>	<b>9,362,020</b>	<b>8,702,480</b>	<b>7,735,520</b>	<b>7,980,700</b>

## Reviews

- 8.55 Deloitte (2015) estimate between 2011-12 and 2013-14, local authority education services spent £11,700,000 on reviewing statements. That is, local authorities spent approximately 2.5% of their total spend of £461,600,000 on reviews.
- 8.56 Deloitte did not provide a breakdown of local authority spend on reviewing statements by year. It is, however, possible to estimate local authority spend per year on reviewing statements based on the assumption the percentage spend in each of the three years was consistent at approximately 2.5% of total spend.

<sup>48</sup> Completed and ongoing

- 8.57 As Table 14 below sets out, the estimated cost of undertaking a review between 2011-12 and 2013-14 ranged between £310 and £260. It is not clear why the estimated cost of undertaking a review between 2011-12 and 2013-14 has decreased by £50 per review. Thus, the average estimated cost of £290 for undertaking a review during this period is used to calculate the 2016-17 price.
- 8.58 In 2016-17 prices, it is estimated local authorities incurred costs of £4,023,600 undertaking reviews of statements.

Table 14: local authority education services estimated spend on review by year

	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>Average cost</b>	<b>2016-17 prices<sup>49</sup></b>
Total spend (£)	167,500,000	155,700,000	138,400,000	153,866,700	158,743,100
Estimated spend on review (£) <sup>50</sup>	4,245,600	3,946,500	3,508,000	3,900,000	4,023,600
Number of reviews <sup>51</sup>	13,800	13,600	13,300	13,600	14,000
Cost per review (£)	<b>310</b>	<b>290</b>	<b>260</b>	<b>290</b>	<b>300</b>

- 8.59 In total, it is estimated local authorities spend a total of £12,004,300 per year assessing and reviewing statements, this is made up of £7,980,700 on assessments (see Table 12) and £4,023,600 on reviews (see Table 14).

## **Disagreements and Appeals**

### **Disagreements about wanting or having a statement**

- 8.60 For the purposes of this regulatory impact assessment, disagreements have been grouped into those which are about wanting a statement and those which are about having a statement. Disagreements about wanting a statement includes disagreements about a local authority decision not to

<sup>49</sup> Average costs 2011-12 to 2013-14 uprated to 2016-17 prices.

<sup>50</sup> Based on approximately 2.5% of total yearly spend on SEN.

<sup>51</sup> Based on the assumption each statement is reviewed once each year.

assess and disagreements about a local authority decision not to issue a statement. Disagreements about having a statement relate to local authority decisions about the content of the statement.

- 8.61 In addition to the costs of assessing and reviewing statements, local authorities incur costs associated with disagreements about statements. The costs are incurred from providing disagreement resolution services for children, young people and parents who disagree with decisions local authorities have made in respect of statements and are incurred from the costs to local authorities when responding to those disagreements.
- 8.62 It has not been possible to determine the number of disagreements local authorities dealt with in 2013/14, since this data is not publicly available<sup>52</sup>. It has, however, been possible to estimate costs using the number of cases dealt with by SNAP Cymru. SNAP Cymru is currently commissioned by the majority of local authorities in Wales to provide Parent Partnership and disagreement resolution services for children, young people and parents.
- 8.63 SNAP Cymru charges local authorities on average approximately £574,400 per year for parent partnership and dispute resolution services. The service is enhanced by funding from the Families First project which enables SNAP to provide additional support to vulnerable families. In total, SNAP receives an income of approximately £814,200 a year for parent partnership and dispute resolution services.
- 8.64 It is unlikely all parents who disagree with, or appeal against, a local authority decision related to not issuing a statement will use local authority funded disagreement resolution services. As such, the estimated costs set out below should be considered to be the minimum expected cost incurred by local authorities.

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<sup>52</sup> Officials from Welsh Government contacted WLGA and individual local authorities. Data was not, however, available.

- 8.65 During the 30 month period October 2013 to April 2016, SNAP Cymru dealt with approximately 12,600 cases on behalf of 20 local authorities. 1,743 of the 12,600 cases were about wanting or having a statement of SEN. 1,723<sup>53</sup> cases were concerned with resolving disagreements 20 cases progressed to the Special Educational Needs Tribunal Wales (SENTW).
- 8.66 The total average cost of dispute resolution services to support a disagreement case is £875<sup>54</sup>. The average estimated cost to local authorities per disagreement dispute resolution case is £500. The remainder of the cost - £375 - is subsidised by SNAP Cymru, through fund raising, use of charity reserves and volunteer hours<sup>55</sup>.
- 8.67 Thus, the total cost over the 30 month period October 2013 to April 2016 for disagreement dispute resolution services across 20 local authorities was £1,507,188. Of this, the cost to the 20 local authorities is estimated to have been approximately £861,250 and the cost to SNAP Cymru is estimated to have been £645,938. This equates to a total yearly cost of £602,875<sup>56</sup> of which an estimated £344,500 was incurred by 20 local authorities and £258,375 was subsidised by SNAP Cymru (see Table 15 below). Grossing these figures up from 20 local authorities to 22 local authorities equates to 758 cases<sup>57</sup> at a total estimated cost of £663,163 per year of which an estimated £378,950 would be incurred by local authorities, with an estimated subsidy of £284,213 subsidised. In 2016-17 prices, this is equivalent to a total estimated cost of approximately £673,660, of which £384,950 would be incurred by local authorities, with an estimated subsidy of approximately £288,710.

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<sup>53</sup> Calculations based on 1,722.5 rather than 1,723  $(3,485/2)-20=1,722.5$ .

<sup>54</sup> Source: SNAP Cymru.

<sup>55</sup> Costed at £26 per hour (source: SNAP Cymru).

<sup>56</sup>  $(1,722.5/30)*12=689$  cases per year across 20 local authorities. 689 cases at an average cost of £875=£602,875

<sup>57</sup>  $(1,722.50/30)/20=2.87$  cases per local authority per month.  $(2.87*12)*22= 757.9$  cases per year across 22 local authorities.

Table 15: local authority dispute resolution services for disagreements around wanting or having a statement

<b>Cost of cases relating to disagreements about wanting or having a statement - excluding appeals</b>		<b>2016/17 prices</b>
Total number of matters over the 30 month period - 20 LAs	3,485	
Total number of cases over 30 months - 20 LAs	1,743	
Number of these cases which were appeal related	20	
Total disagreement cases over 30 months - 20 LAs (minus appeal related cases)	1,723	
Number of disagreement cases per month across 20 local authorities	57	
Estimated number of disagreement cases per year across 20 local authorities	689	
Average total cost per disagreement resolution case	875	
Average LA cost per disagreement resolution case	500	
Average SNAP Cymru subsidy per informal case	375	
Average estimated total cost per year across 20 local authorities	<b>602,875</b>	<b>612,410</b>
Average estimated cost to LAs per year across 20 local authorities	344,500	349,950
Average estimate SNAP subsidy per year across 20 LAs	258,375	262,460
<b>Estimated total cost per year - all Wales (22 LAs)</b>	<b>663,163</b>	<b>673,660</b>
Estimated total cost to LAs per year - all Wales	378,950	384,950
Estimated service provider subsidy per year - All Wales	284,213	288,710

- 8.68 In addition to dispute resolution services, local authorities incur costs responding to disagreements. The cost to local authorities of responding to disagreements is not known, since data is not collected. It is possible, however, to estimate the cost based on the cost of disagreement resolution services and the cost to local authorities of defending an appeal.
- 8.69 Holtom et al (2014)<sup>58</sup> estimate the cost to local authorities of defending a case appealed to SENTW is £10,000<sup>59</sup>. The average cost of dispute resolution services to support children, young people and parents through the appeal process is £4,125 per case<sup>60</sup>. Thus, the cost to local authorities of defending a case at SENTW is 2.42 times greater than the cost of services to support children, young people and parents through the appeal process.
- 8.70 The cost local authorities incur when responding to disagreements is not currently known. It is possible, however, to estimate this cost based on the assumption the ratio between the cost to local authorities of responding to a disagreement and the cost of resolving a disagreement via a local authority dispute resolution service, is the same as the ratio between the cost to local authorities of defending a case appealed to SENTW and the cost of providing services to support children, young people and parents through the appeal process. That is, the cost to local authorities of responding to a disagreement will be 2.42 times greater than the cost of resolving a disagreement via a local authority dispute resolution service (see Table 16 below).
- 8.71 Between October 2013 and April 2016, the average cost per disagreement resolved through a local authority disagreement service was approximately £875. Based on the assumption the costs to the local authority of responding to a disagreement is 2.42 times greater than the cost of a disagreement supported through a local authority dispute resolution service, it is estimated local authorities incur costs of £2,121 per disagreement responded to. On this

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<sup>58</sup> Evaluation of a Pilot of Young People's Rights to Appeal and Claim to the Special Educational Needs Tribunal for Wales. Available at: <http://dera.ioe.ac.uk/20424/1/140626-pilot-young-peoples-rights-appeal-claim-sen-tribunal-en.pdf>

<sup>59</sup> The estimate of £10,000 was provided by one of the local authorities participating in the pilot study.

<sup>60</sup> Source: SNAP Cymru.



basis, it is estimated local authorities spent approximately £1,607,670 a year between 2013-14 and 2015-16 responding to an average of 758 disagreements each year.

- 8.72 In 2016-17 prices, the estimated cost to local authorities incurred as a result of responding to disagreements about statements is approximately £1,633,100.
- 8.73 As Table 16 below sets out, the total estimated cost incurred in relation to disagreements and appeals is approximately £2,306,760 per year in 2016-17 prices. Of this, local authorities incur estimated costs of £2,018,050 and the estimated cost of subsidizing the service is £288,710. This includes disagreements about both wanting and having a statement. That is, disagreements about not being issued a statement or disagreements about the content of the statement.

Table 16: cost per year incurred by local authorities due to disagreements about wanting or having a statement

	cost per appeal (£)	factor in relation to appeal cost	cost per disagreement (£)	number of disagreements (£)	Total cost per year - disagreements (£)	Total cost per year 2016-17 prices - disagreements (£)	Cost to local authority - per disagreement (£)	Subsidy - per disagreement (£)	Total cost to local authority - disagreement (£)	Total subsidy - disagreement (£)	Total cost to local authority - disagreement - 2016-17 prices (£)	Total subsidy - disagreement - 2016-17 prices (£)
LA disagreement resolution service	4,125		875	758	663,160	673,660	500	375	378,950	284,210	384,950	288,710
LA education services	10,000	2.42	2,121	758	1,607,670	1,633,100	2,121	0	1,607,670	0	1,633,100	0
<b>Total</b>					<b>2,270,830</b>	<b>2,306,760</b>			<b>1,986,620</b>	<b>284,210</b>	<b>2,018,050</b>	<b>288,710</b>

### **Disagreements related to wanting a statement**

- 8.74 It is possible to disaggregate the costs local authorities incur as a result of disagreements about not having a statement from those which are concerned with the content of the statement.
- 8.75 Between 2013-14 and 2015-16 SENTW received 284 appeals, of which 150 (53%) were about not having a statement and 134 (47%) were about having a statement (see Table 17 below).
- 8.76 Assuming the proportion of disagreements about not having a statement are equivalent to appeals to SENTW about not having a statement (53%), it can be estimated 402 of the 758 disagreements per year between 2013-14 and 2015-16 would have been about not having a statement and 356 would have been about having a statement.

Table 17: appeal by type, 2013/14 to 2015/16

	2015-16	2015-16	2014-15	2014-15	2013-14	2013-14	2013-14 to 2015-16		
Type of appeal	Number of appeals	%	Number of appeals	%	Number of appeals	%	Total	Average	%
Refusal to assess	41	39	40	39	26	33	107	36	38
Refusal to statement	11	10	14	14	10	13	35	12	12
Refusal to re-assess	3	3	0	0	1	1	4	1	1
Cease statement	2	2	0	0	2	3	4	1	1
<b>Not having a statement</b>	<b>57</b>	<b>54</b>	<b>54</b>	<b>53</b>	<b>39</b>	<b>50</b>	<b>150</b>	<b>50</b>	<b>53</b>
Contents of statements – parts 2 and 3	11	10	11	11	10	13	32	11	11
Contents of statements – parts 2, 3 and 4	24	23	18	18	18	23	60	20	21
Contents of statements – part 3 only	5	5	8	8	4	5	17	6	6
Contents of statements – part 4 only	5	5	8	8	5	6	18	6	6
Contents of statements – parts 3 and 4	3	3	2	2	2	3	7	2	2
<b>Having a statement</b>	<b>48</b>	<b>46</b>	<b>47</b>	<b>47</b>	<b>39</b>	<b>50</b>	<b>134</b>	<b>45</b>	<b>47</b>
<b>Total</b>	<b>105</b>	<b>100</b>	<b>101</b>	<b>100</b>	<b>78</b>	<b>100</b>	<b>284</b>	<b>95</b>	<b>100</b>

- 8.77 The estimated total cost of local authority disagreement resolution services for 402 cases where parents want a statement is approximately £357,040 per year in 2016-17 prices. Of this, it is estimated approximately £204,020 is incurred by local authorities and £153,020 is subsidised.
- 8.78 In addition, local authorities will incur costs responding to parents who disagree with not having a statement. In total, it is estimated local authorities incur costs of £865,540 per year in 2016-17 prices responding to the estimated 402 cases where parents disagree with decisions about not having a statement.
- 8.79 Combining the cost of dispute resolution services and the cost of responding to parents, it is estimated local authorities incur costs of £1,069,570 per year in 2016-17 prices responding to 402 disagreements about not having a statement and £153,020 is subsidised (see Table 18 below).

Table 18: local authority costs incurred from disagreements by type of disagreement, 2016-17 prices

	Cost (100%)	Not having a statement (53%)	Having a statement (47%)	Not having a statement (53%) - LA costs	Having a statement (47%) - LA costs	Not having a statement (53%) - subsidy	Having a statement (47%) - subsidy
Disagreement resolution services	673,660	357,040	316,620	204,020	180,920	153,020	135,690
Local authority response	1,633,100	865,540	767,560	865,550	767,560	0	0
<b>Total</b>	<b>2,306,760</b>	<b>1,222,580</b>	<b>1,084,180</b>	<b>1,069,570</b>	<b>948,480</b>	<b>153,020</b>	<b>135,690</b>

- 8.80 As Table 18 sets out, it is estimated the total costs associated with disagreements about having a statement is £1,084,180 in 2016-17 prices as a result of the 356 disagreements each year about having a statement. Of this, the local authorities are estimated to incur total costs of £948,480 per year in 2016-17 prices made up of approximately £180,920 for local authority disagreement resolution services and £767,560 incurred as a result of responding to disagreements about wanting a statement. The remaining

estimated £135,690 is subsidised by disagreement resolution service providers.

### **Appeals about decisions relating to wanting or having a statement**

- 8.81 In addition to disagreements about statements, local authorities incur costs where parents appeal to SENTW in response to local authority decisions around statements.
- 8.82 Local authorities provide access to services to support children, young people and parents to appeal to SENTW where a disagreement with a decision can not be resolved.
- 8.83 SNAP Cymru provide disagreement resolution services where parents wish to progress a disagreement to SENTW. The average cost of disagreement resolution services provided by SNAP Cymru, where a case is resolved through formal disagreement resolution without recourse to tribunal, is £2,000. The average cost of supporting a family from their initial concerns or disagreement through to appeal to SENTW is £4,125. The cost to local authorities for formal dispute resolution is £600.
- 8.84 During the 30 month period October 2013 to April 2016, SNAP Cymru dealt with a total of 20 cases which progressed to tribunal. That is, an average of 1 case per local authority over the 30 month period. This is equivalent to an average of approximately 9 cases per year across 22 local authorities or 0.4 cases for each of the 22 local authorities per year. Based on the assumption the average cost of £600 for dispute resolution services where a case progresses to tribunal would be the same across all local authorities, the estimated cost to local authorities would be approximately £5,300.
- 8.85 SNAP Cymru subsidises each dispute resolution case which progresses to tribunal by an estimated £3,525. The total subsidy per year is estimated to be approximately £31,800.

- 8.86 In addition to the cost of dispute resolution services, local authority education services will incur costs from undertaking activities related to defending decisions regarding assessments for, and issuing of, statements in a number of ways. These include prior preparation of the defence and costs incurred on the day.
- 8.87 Data on the cost to local authorities of defending cases at SENTW are not publicly available. Holtom et al (2014)<sup>61</sup>, whilst acknowledging it is difficult to get exact figures for local authority costs of contesting a case at SENTW, use an estimate of approximately £10,000 in 2013. This is equivalent to £10,317 in 2016-17 prices.
- 8.88 The cost to local authorities of responding to 105 appeals is estimated to be approximately £1,083,300 per year in 2016-17 prices.
- 8.89 As Table 19 below sets out, the total estimated cost of providing access to dispute resolutions services and responding to appeals to SENTW is estimated to be approximately £1,120,400 per year in 2016-17 prices. Of this, local authorities are estimated to have incurred costs of approximately £1,088,600, with a subsidy to the service of an estimated £31,800.

Table 19: cost to local authorities of appeals to SENTW, 2016-17 prices

<b>Appeals to SENTW (2015-16)</b>	<b>Total cost of disagreement resolution services - appeals (£)</b>	<b>Cost of disagreement resolution service - LA (£)</b>	<b>Subsidy (£)</b>	<b>Cost to local authorities of defending case</b>	<b>Total local authority cost</b>	<b>Total cost</b>
105	37,100	5,300	31,800	1,083,300	1,088,600	1,120,400

<sup>61</sup> <http://gov.wales/docs/caecd/research/2014/140626-pilot-young-peoples-rights-appeal-claim-sen-tribunal-en.pdf>

## Appeals about decisions relating to wanting a statement

- 8.90 Since data is collected about type of appeal, it is possible to disaggregate the cost to local authorities into appeals relating to wanting a statement and appeals related to having a statement.
- 8.91 As Table 20 sets out, during 2015/16 there were 57 (54%) appeals to SENTW regarding decisions related to not having a statement<sup>62</sup> and 48 (46%) appeals regarding decisions related to having a statement.

Table 20: appeals to SENTW 2015-16, by type

Type of appeal	Number of appeals	Percentage
Refusal to assess	41	39
Refusal to statement	11	10
Refusal to re-assess	3	3
Cease statement	2	2
<b>Not having a statement</b>	<b>57</b>	<b>54</b>
Contents of statements – parts 2 and 3	11	10
Contents of statements – parts 2, 3 and 4	24	23
Contents of statements – part 3 only	5	5
Contents of statements – part 4 only	5	5
Contents of statements – parts 3 and 4	3	3
<b>Having a statement</b>	<b>48</b>	<b>46</b>
<b>Total</b>	<b>105</b>	<b>100</b>

- 8.92 Based on the assumption the 9 cases supported by dispute resolution services have the same proportional split as appeals in 2015-16 between not having a statement and having, the cost of providing disagreement resolution services for appeals about not having a statement is estimated to be approximately £14,900 per year in 2016-17 prices. Of which £2,900 is incurred by local authorities and £17,200 is subsidised by service providers. The estimated cost local authorities incur defending 57 appeals about not having a statement is £585,000 per year in 2016-17 prices (see Table 21 below).
- 8.93 In total, the cost of providing disagreement resolution services and defending appeals about not having a statement is estimated to cost £605,000 per year

<sup>62</sup> This is consistent with the average of 53% between 2013-14 and 2015-6 set out in Table 17 above.



in 2016-17 prices (see Table 21 below). Of which, local authorities are estimated to incur costs of £587,900 with service providers incurring estimated costs of £17,200.

Table 21: local authority costs incurred from appeals by type of appeal, 2016-17 prices

	ALL	Not having a statement (54%)	Having a statement (46%)
Disagreement resolution services - total cost	37,100	20,000	17,100
Disagreement resolution services - cost to LA	5,300	2,900	2,400
Disagreement resolution services - subsidy	31,800	17,200	14,600
Local authority defence cost	1,083,300	585,000	498,300
total local authority cost	1,088,600	587,900	500,700
Total	1,120,400	605,000	515,400

8.94 As Table 21 sets out, the cost of providing disagreement resolution services to support appeals about having a statement is estimated to be £17,100 in 2016-17 prices. Of this, an estimated £2,400 is incurred by local authorities and £10,300 is a subsidy. The estimated cost local authorities incur defending 48 appeals about having a statement is approximately £498,300 per year in 2016-17 prices. In total, the cost of providing disagreement resolution services and defending appeals about having a statement is estimated to be £515,400 per year in 2016-17 prices. Of this, it is estimated local authorities incur costs of approximately £500,700 and £14,600 is a subsidy.

Table 22: summary of option one costs to local authority education services, by activity

	<b>2016-17 prices</b>
Assessments	7,980,700
Reviews	4,023,600
Dispute resolution services – disagreements – LA costs	384,950
Dispute resolution services – disagreements – subsidy	288,710
Responding to disagreements	1,633,100
Dispute resolution services – appeals – LA costs	5,300
Dispute resolution services – appeals – subsidy	31,800
Defending appeals	1,083,300
<b>Total</b>	<b>15,431,460</b>

## **Schools**

### **Assessment and review**

8.95 Deloitte (2015) estimate schools spent a total of £511,600,000 on SEN between 2011-12 and 2013-2014 (see Table 23 below for breakdown by year and type of school). Of this, a total of £12,500,000 was spent on statutory and non-statutory assessments and £13,200,000 was spent on reviewing statutory and non-statutory plans (see Table 24 below for estimated spend by type of school).

Table 23: estimated school spend on SEN by type of school

	2011-12 (£)	2012-13 (£)	2013-14 (£)	2011-12 to 2013-14 (£)	2016-17 prices (£)
Mainstream schools	76,200,000	92,600,000	86,500,000	255,300,000	89,241,400
Special schools	80,900,000	85,700,000	89,700,000	256,300,000	92,542,800
<b>All schools</b>	<b>157,100,000</b>	<b>178,300,000</b>	<b>176,200,000</b>	<b>511,600,000</b>	<b>181,784,200</b>

Table 24: estimated school spend 2011-12 to 2013-14 on assessment and review by school type

	Assessment (£m)	Review (£m)
Mainstream schools	12,500,000	10,600,000
Special schools <sup>63</sup>	0	2,600,000
<b>Total</b>	<b>12,500,000</b>	<b>13,200,000</b>

- 8.96 Deloitte did not, however, disaggregate spend on assessment and review by statutory and non-statutory plans, nor were costs per year provided.

<sup>63</sup> Deloitte (2015) state, 'There is no estimated investment for 'assessment of need' which is not to say there is no activity related to 'assessment of need' but that special schools found it challenging to disaggregate 'assessment of need' activity from everyday support provided to learners as they are 'always assessing the needs of learners' rather than it being a discrete activity' (page 20).

Table 25: percentage of school spending on assessment and review as a percentage of total spend on SEN in 2011-12 to 2013-14 by type of school

	<b>Spend on assessment (%)</b>	<b>Spend on review (%)</b>
Mainstream schools	5	4
Special schools <sup>64</sup>	0	1

- 8.97 Table 26 below sets out the estimated spend by mainstream schools and special schools on assessment and review by year. The yearly spend on assessment and review has been calculated by applying the percentage mainstream schools and special schools spent on assessment and reviews over the period 2011-12 to 2013-14 (see Table 25 above) to their estimated yearly spend on SEN (Table 23 above).
- 8.98 For example, between 2011-12 and 2013-14, mainstream schools used approximately 5% of their total SEN spending on assessments. In 2013-14, mainstream schools spent £86,500,000. Assuming approximately 5% of this was spent on assessments, mainstream schools spent an estimated £4,235,200 on assessments in 2013-14. This equates to £4,369,400 in 2016-17 prices.

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<sup>64</sup> Deloitte (2015) state, 'There is no estimated investment for 'assessment of need' which is not to say there is no activity related to 'assessment of need' but that special schools found it challenging to disaggregate 'assessment of need' activity from everyday support provided to learners as they are 'always assessing the needs of learners' rather than it being a discrete activity' (page 20).

Table 26: estimated spend by mainstream schools and special schools on assessment and review by year

	2011-12 (£)	2012-13 (£)	2013-14 (£)	2011-12 to 2013-14 (£)	2016-17 prices (£)
Assessment - mainstream schools	3,730,900	4,533,900	4,235,200	12,500,000	4,369,400
Assessment - special schools	0	0	0	0	0
<b>Assessment - all schools</b>	<b>3,730,900</b>	<b>4,533,900</b>	<b>4,235,200</b>	<b>12,500,000</b>	<b>4,369,400</b>
Review - mainstream schools	3,163,800	3,844,700	3,591,500	10,600,000	3,705,300
Review - special schools	820,700	869,400	909,900	2,600,000	938,700
<b>Review - all schools</b>	<b>3,984,500</b>	<b>4,714,100</b>	<b>4,501,400</b>	<b>13,200,000</b>	<b>4,644,000</b>
<b>Total</b>	<b>7,715,400</b>	<b>9,248,000</b>	<b>8,736,600</b>	<b>25,700,000</b>	<b>9,013,400</b>

- 8.99 To disaggregate the estimated cost to schools of undertaking assessments and reviews by those which are statutory (statements) and those which are non-statutory (individual education plans), the proportion of time schools spent on statutory and non-statutory assessments and reviews was used.
- 8.100 The time spent on assessment and reviews varied significantly across schools. Table 27 below sets out the range of time spent on assessments and reviews by type.
- 8.101 As Table 27 below shows, there are significant variations in the estimated time schools spent on statutory assessments, ranging from 90 to 720 minutes per assessment. There are also variations in the estimated time spent on non-statutory assessments, which range from 60 to 180 minutes.
- 8.102 In addition, there were significant variations in the estimated time spent on reviewing statutory plans, ranging from 60 to 600 minutes, and on reviewing non-statutory plans, ranging from 10 to 120 minutes.
- 8.103 The mid-range has been used to estimate the proportion of time spent on statutory and non-statutory assessments and reviews. Given the range of time spent on each activity and a lack of data on the frequency of time spent on each activity, the mid-range may not provide the most accurate estimate.

Thus, the estimate of the proportion of time spent on statutory and non-statutory assessments and reviews and the costs apportioned as a result should be treated as illustrative.

Table 27: time spent on assessment and review by type

	Time range (mins)		Mid-point (£)
	Minimum	Maximum	
Assessment – statement	90	720	405
Assessment – individual education plans	60	180	120
Review – statement	60	600	330
Review – non-statutory plans	10	120	65

Source: Deloitte (2015)

8.104 In addition to estimating the length of time schools spend on statutory and non-statutory assessments and reviews, the number of statutory and non-statutory assessments and reviews was required to work out the spend on statutory and non-statutory assessments and reviews.

8.105 The number of statutory assessments undertaken per year is known (see Table 12 above) as is the estimated number of reviews of statutory assessments (see Table 14 above). The number of individual education plan assessments undertaken each year is not, however, known as this data is not collected.

Table 28: estimated number of assessments for statements and for individual education plans undertaken by schools by year

	2011-12	2012-12	2013-14
Pupils with statements	13,806	13,567	13,342
Number of assessments for statements undertaken	1,944	1,870	1,634
Assessments as a proportion of all statements (%)	14	14	12
Pupils with individual education plans (pupils with SA and SA+)	91,506	92,685	94,500
Estimated number of assessments for individual education plans	12,885	12,775	11,572

- 8.106 The estimated number of individual education plan assessments is based on the assumption the number of individual education plan assessments as a percentage of all individual education plans is the same as the number of assessments for statements as a percentage of all statements (see Table 28 above).
- 8.107 The estimated cost to schools of assessments and reviews by type is based on the proportion of time schools spent on statutory and non-statutory assessments and reviews. The total average time schools spent on each activity is outlined in Table 29 below and is based on the assumption both statutory and non-statutory plans are reviewed once a year<sup>65</sup>.

Table 29: time schools spent on assessments and reviews by type

	Total average time spent (mins)		
	2011-12	2012-13	2013-14
Assessment – statement	787,320	757,350	661,675
Assessment – individual education plans	1,546,177	1,533,022	1,388,615
<b>Total assessment</b>	<b>2,333,497</b>	<b>2,290,372</b>	<b>2,050,290</b>
Review – statement	4,555,980	4,477,110	4,402,860
Review – non-statutory plans	5,947,890	6,024,525	6,142,500
<b>Total time spent on reviews</b>	<b>10,503,870</b>	<b>10,501,635</b>	<b>10,545,360</b>

- 8.108 The proportion of estimated time schools spend on assessing and reviewing statutory and non-statutory plans was used to disaggregate the cost of undertaking assessments and reviews by type of review and type of school. These are set out in Table 30 below.
- 8.109 Table 30 below sets out the estimated time spent by schools assessing statements and individual education plans as a proportion of the total time spent on assessments; and sets out the time spent on reviewing statements and individual education plans as a proportion of the total time spent on reviews.

<sup>65</sup> Individual education plans are actually reviewed twice a year but one of these reviews is generally done during the meeting with parents, so there is no additional cost for the second review.

Table 30: proportion of total time schools spent on statutory and non-statutory assessments and reviews

	2011-12 (%)	2012-13 (%)	2013-14 (%)
Assessment – statement	34	33	32
Assessment – individual education plans	66	67	68
<b>Total assessment</b>	<b>100</b>	<b>100</b>	<b>100</b>
Review – statement	43	43	42
Review – individual education plans	57	57	58
<b>Total Review</b>	<b>100</b>	<b>100</b>	<b>100</b>

8.119 Table 31 below sets out the disaggregated costs to schools of undertaking assessments and reviews (see Table 26) by those which are statutory (statements) and those which are non-statutory (individual education plans).



Table 31: estimated school spend on assessments and review by type of review and type of school

	2011-12 (£)	2012-13 (£)	2013-14 (£)	2016-17 prices (£)
Investment SEN - mainstream schools	76,200,000	92,600,000	86,500,000	89,241,400
Investment SEN - special schools	80,900,000	85,700,000	89,700,000	92,542,800
Investment SEN - all schools	157,100,000	178,300,000	176,200,000	181,784,200
<b>Assessment - mainstream schools (£)</b>	<b>3,730,900</b>	<b>4,533,900</b>	<b>4,235,200</b>	<b>4,369,400</b>
Statement	1,258,800	1,499,200	1,366,800	1,410,100
Individual development plan	2,472,100	3,034,700	2,868,400	2,959,300
<b>Assessment - special schools<sup>66</sup></b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Statement	0	0	0	0
Individual education plan	0	0	0	0
<b>Assessment - all schools (£)</b>	<b>3,730,900</b>	<b>4,533,900</b>	<b>4,235,200</b>	<b>4,369,400</b>
Statement	1,258,800	1,499,200	1,366,800	1,410,100
Individual education plan	2,472,100	3,034,700	2,868,400	2,959,300
<b>Review - mainstream schools</b>	<b>3,163,800</b>	<b>3,844,700</b>	<b>3,591,500</b>	<b>3,705,300</b>
Statement	1,372,300	1,639,100	1,499,500	1,547,000
Individual education plan	1,791,500	2,205,600	2,092,000	2,158,300
<b>Review - special schools</b>	<b>820,700</b>	<b>869,400</b>	<b>909,900</b>	<b>938,700</b>
Statement	820,700	869,400	909,900	938,700
Individual education plan	0	0	0	0
<b>Review - all schools</b>	<b>3,984,500</b>	<b>4,714,100</b>	<b>4,501,400</b>	<b>4,644,000</b>
Statement	1,728,250	2,009,700	1,879,400	1,939,000
Individual education plan	1,791,500	2,205,600	2,092,000	2,158,300
<b>Total spent</b>	<b>7,715,400</b>	<b>9,248,000</b>	<b>8,736,600</b>	<b>9,013,400</b>

8.111 Table 32 below sets out the costs to schools of undertaking an individual assessment and review by type of school and type of assessment

<sup>66</sup> Deloitte (2015) state, 'There is no estimated investment for 'assessment of need' which is not to say there is no activity related to 'assessment of need' but that special schools found it challenging to disaggregate 'assessment of need' activity from everyday support provided to learners as they are 'always assessing the needs of learners' rather than it being a discrete activity' (page 20).

Table 32: cost of individual assessments and review by type of school and by type of assessment and review

	2011-12	2012-13	2013-14	2016-17 prices
Assessment - mainstream schools (£)	3,730,905	4,533,882	4,235,213	4,369,439
Number statements assessed	1,944	1,870	1,634	1,634
Total cost of assessing statements (£)	1,258,804	1,499,204	1,366,799	1,410,117
<b>Cost per assessment of a statement - mainstream schools (£)</b>	<b>648</b>	<b>802</b>	<b>837</b>	<b>864</b>
Number of individual education plans assessed	12,885	12,775	11,572	11,572
Total cost of assessing individual education plans (£)	2,472,101	3,034,678	2,868,414	2,959,322
<b>Cost per assessment of an individual education plan - mainstream schools (£)</b>	<b>192</b>	<b>238</b>	<b>248</b>	<b>256</b>
Review - mainstream schools (£)	3,163,807	3,844,732	3,591,461	3,705,284
Total cost of reviewing statements (£)	1,372,279	1,639,105	1,499,494	1,547,017
Number of statements reviewed	13,098	12,738	12,530	12,530
<b>Cost of reviewing a statement – mainstream schools (£)</b>	<b>105</b>	<b>129</b>	<b>120</b>	<b>124</b>
Total cost of reviewing individual education plans (£)	1,791,528	2,205,626	2,091,967	2,158,267
Number of individual education plans reviewed	89,940	91,053	92,773	92,773
<b>Cost of reviewing an individual education plan – mainstream schools (£)</b>	<b>20</b>	<b>24</b>	<b>23</b>	<b>24</b>
Review - special schools	820,679	869,372	909,949	938,700
Total cost of reviewing statements (£)	820,679	869,372	909,949	938,700
Number of statements reviewed	343	386	388	388
<b>Cost of reviewing a statement – special schools (£)</b>	<b>2,393</b>	<b>2,252</b>	<b>2,345</b>	<b>2,419</b>

## Disagreements

- 8.112 Whilst the majority of schools collect data about complaints, data about the number, type or outcome of school complaints is not collated centrally. It is not, therefore, possible to determine the actual number of complaints schools receive which are disagreements about ALP.
- 8.113 Research undertaken by McKenna and Day (2012)<sup>67</sup> for the Department for Education in England found complaints to schools were low with two thirds of

<sup>67</sup> McKenna, K. and L. Day (2012) Parents' and Young People's Complaints about Schools. Available at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/183559/DFE-RR193.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/183559/DFE-RR193.pdf)

primary and secondary schools having an average of one per 100 pupils per academic year<sup>68</sup>.

- 8.114 Assuming a similar situation in Wales, for illustrative purposes, it is estimated there were 2,893 complaints to schools in Wales during 2013/14. The proportion of these complaints which were regarding ALP is, however, unknown.
- 8.115 McKenna and Day found the issues most commonly reported involved bullying, special educational needs (SEN), teacher conduct, and exclusions. The research did not, however, determine or estimate the proportion of complaints which were SEN related.
- 8.116 It has not been possible, therefore, to estimate the number or costs of ALP related complaints to schools in Wales.

#### **Local authority social services and local health boards**

- 8.117 Deloitte estimate local authority social services expenditure on SEN over the three years 2011-12 to 2013-14 was approximately £17,500,000 (see Table 33 below). This includes expenditure relating to the education of looked-after children with SEN and to funding placements for post-16 learners with LDD. Expenditure in 2013-14 has been uprated to 2016-17 prices using the GDP deflator series, this gives a figure of £6,293,300.
- 8.118 Deloitte estimate health boards spent approximately £42,500,000 on SEN/LDD between 2011-12 and 2013-14 (see Table 33 below). This includes the health board programme budget expenditure for learning difficulties and the health board contribution to post-16 specialist placements. The estimated cost in 2016-17 prices is £15,165,900.

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<sup>68</sup> McKenna and Day use the figure for illustrative purposes, given the small and unrepresentative sample of schools on which the calculations are based.

Table 33: local authority social services and health board expenditure on SEN

	<b>2011-12 (£)</b>	<b>2012-13 (£)</b>	<b>2013-14 (£)</b>	<b>2011-12 to 2013-14 (£)</b>	<b>2016-17 prices (£)</b>
local authority social services	5,600,000	5,800,000	6,100,000	17,500,000	6,293,300
health boards	13,700,000	14,100,000	14,700,000	42,500,000	15,165,900
<b>Total</b>	<b>19,300,000</b>	<b>19,900,000</b>	<b>20,800,000</b>	<b>60,000,000</b>	<b>21,459,200</b>

8.119 Deloitte did not estimate the amount social services spend on SEN/LDD assessments and reviews, nor did they estimate health board spend on SEN/LDD assessment and reviews. The cost to social services of undertaking assessments and reviews has been estimated based on research findings into the costs of statements, undertaken by Craston et al (2014)<sup>69</sup>.

8.120 Table 34 below sets out the findings of the research as percentage cost of undertaking an assessment to each group of agencies as an average across nine geographical areas.

<sup>69</sup> Craston, M., Carr, C., Spivack, R. and G. Thom (2014) Evaluation of the Special Educational Needs and Disability Pathfinder Programme: understanding the comparative costs of delivering the EHC planning and SEN statementing processes for newcomers to the SEN system (Department for Education: London). Available at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/342285/RR356B\\_-\\_Comparative\\_Costs\\_Evaluation.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/342285/RR356B_-_Comparative_Costs_Evaluation.pdf)

The initial phase of the evaluation (September 2011-March 2013) aimed to determine the comparative costs of delivering the Education, Health and Care (EHC) planning process relative to the SEN statementing process. The research consisted of two case studies covering nine geographical areas.

Table 34: average cost to agencies of undertaking statutory assessments in England

Agency group	Average %
SEN <sup>70</sup>	81.34
Specialist health <sup>71</sup>	15.87
Social care	2.67
Other	0.13
Total	100.00

- 8.121 Assuming the percentage split of costs is the same across agencies in Wales, it is possible to state on average an estimated 81% of statutory assessment costs would fall on local authority education services and mainstream schools, 16% on health boards, with 3% falling on local authority social services.
- 8.122 Local authority education services are estimated to have spent an average of approximately £4,750 per statutory assessment between 2011-12 and 2013-14 (see Table 12 above) and mainstream schools are estimated to have spent approximately £750 per statutory assessment (see Table 35 below).
- 8.123 The average estimated cost per statutory assessment to local authority education services and to mainstream schools was, therefore, approximately £5,500, which is assumed to represent 81% of the total estimated cost of statutory assessments, giving a total cost per statutory assessment of approximately £6,750. The remaining £1,250 (19%) is split between health boards and local authority social services with health boards spending an estimated average of approximately £1,050 per assessment and local authority social services spending an estimated average of approximately £200 per assessment (see Table 35 below).
- 8.124 The cost per statutory assessment (in 2016/17 prices) is estimated to be £1,150 for health boards and £200 for local authority social services departments.

<sup>70</sup> Craston et al (2014) include the following in the SEN group: LA SEN team, educational psychologists, school staff, outreach team, portage professionals and advisory teachers.

<sup>71</sup> Craston et al (2014) include the following in the health group: speech and language therapists, community paediatrician, clinical commissioners, community nurses, occupational therapists and health visitors.

Table 35: estimated spend per statutory assessment 2011-12 to 213-14

Agency	Spend per statutory assessment (£)				
	2011-12	2012-13	2013-14	Average	2016-17 prices
Local authority education services	4,800	4,650	4,750	4,750	4,900
Mainstream schools	650	800	850	750	900
<b>Total (81%)</b>	<b>5,450</b>	<b>5,450</b>	<b>5,550</b>	<b>5,500</b>	<b>5,800</b>
health boards (16%)	1,050	1,050	1,100	1,050	1,150
Local authority social services (3%)	200	200	200	200	200
<b>Total cost per statutory assessment</b>	<b>6,700</b>	<b>6,700</b>	<b>6,900</b>	<b>6,750</b>	<b>6,950</b>

- 8.125 As Table 36 below shows, between 2011-12 and 2013-14, health boards estimated average spend on assessments each year was approximately £1,942,800 and local authority social services was approximately £326,900. This equates to approximately £1,829,100 per year for health boards and £307,800 per year for social services in 2016-17 prices.

Table 36: total estimated spend on statutory assessments by agency

Agency	Total spend on statutory assessments (£)				
	2011-12	2012-13	2013-14	Average	2016-17 prices
Local authority education services	9,362,000	8,702,500	7,735,500	8,600,000	7,980,700
Mainstream schools	1,258,800	1,499,200	1,366,800	1,374,900	1,410,100
Health boards (16%)	2,068,600	1,987,000	1,772,900	1,942,800	1,829,100
Local authority social services (3%)	348,100	334,300	298,300	326,900	307,800
<b>Total</b>	<b>13,037,500</b>	<b>12,523,000</b>	<b>11,173,500</b>	<b>12,244,600</b>	<b>11,527,700</b>

- 8.126 Assuming the contribution of health boards and social services in the review process had the same percentage split as in the assessment process, it is estimated in 2013-14, health boards spend on reviews each year was approximately £1,049,300 and local authority social services was approximately £176,500 . In 2016-17 prices, this equates to health boards

spending approximately £1,082,600 on reviews each year and local authority social services approximately £182,100.

## Careers Wales

- 8.127 Deloitte estimate Careers Wales spent £2.2m on SEN/LDD 2011-12 and 2013-14, of which £0.74m was spent during 2013/14 (see Table 37 below). Deloitte estimate an average 64% of Careers Wales' total expenditure on supporting learners with SEN/LDD over the three years has been on assessment. This includes the assessment of the education and training needs of young people required under the Learning and Skills Act 2000, as well as any subsequent application for funding to Welsh Ministers for placements at specialist FE establishments (where required). The remaining 36% was spent on reviewing statements.

Table 37: Careers Wales spend on SEN/LDD by activity and year

Area	2011-12 (£)	2012-13 (£)	2013-14 (£)	2011-12 to 2013-14 (£)	average (£)	2016-17 prices (£)
Assessing need (64%) <sup>72</sup>	499,200	422,400	473,600	1,395,200	465,050	488,600
Reviewing statements (36%)	280,800	237,600	266,400	784,800	261,600	274,800
<b>SEN/LDD total spend</b>	<b>780,000</b>	<b>660,000</b>	<b>740,000</b>	<b>2,180,000</b>	<b>726,650</b>	<b>763,400</b>

- 8.128 In 2013-14, Careers Wales supported 1,103 learners with learning and skills plans, which take an average of ten hours to develop. Of these, 119 included applications for funding specialist FE establishments. Each of these applications requires an additional 35 hours staff time. The time required to complete assessments and funding applications has been used to disaggregate the total cost of assessing need into the cost for undertaking taking assessment and the cost of applications to Welsh Ministers.

<sup>72</sup> Assessing need includes completing funding applications for specialist placements and supporting with learning and skills plans.

8.129 As Table 38 below shows, in 2013-14 Career Wales is estimated to have spent approximately £343,800 undertaking learning and skills plan assessments and approximately £129,800 on applications to fund independent specialist college placements. This is equivalent to spending £354,700 on assessments and £133,900 on applications to fund independent specialist college placements in 2016-17 prices.

Table 38: Proportion of time and spend on learning and skills plan assessments and independent specialist college funding applications by year

	2011-12	2012-13	2013-14	2016-17 prices
Number of learning and skills plan assessments	1,398	1,166	1,103	1,103
Time taken to complete an learning and skills plan assessment (mins)	600	600	600	600
Total time taken to complete learning and skills plan assessments (mins)	838,800	699,600	661,800	661,800
Number of applications for funding at an independent specialist college	71	72	119 <sup>73</sup>	119
Time taken to complete a funding application	149,100	151,200	249,900	249,900
<b>Total time taken (mins)</b>	<b>987,900</b>	<b>850,800</b>	<b>911,700</b>	<b>911,700</b>
Proportion of time spent on learning and skills plan assessments (%)	85	82	73	73
Proportion of time spent on funding applications (%)	15	18	27	27
Estimated spend on completing learning and skills plan assessments (£)	423,900	347,300	343,800	354,700
Estimated spend on completing funding applications (£)	75,300	75,100	129,800	133,900
Total spend on assessment	499,200	422,400	473,600	488,600

8.130 Deloitte estimate £784,800 (36%) of Careers Wales total expenditure on SEN/LDD over the three years 2011-12 to 2013-14 was spent on annual reviews for learners with a statement as part of the transition process into further education. Deloitte estimate each review took on average two hours.

<sup>73</sup> Although 119 reviews undertaken in 2013-14 is a significant increase compared to the 71 undertaken in 2011-12, the higher figure has been used to calculate the 2016-17 prices since this does reflect the upward trend in Welsh Government funded ISC placements. In 2011-12, there were 256 ISC placements compared to 278 in 2013-14 – an increase of 22. The trend for increased ISC placements has continued. In 2015-16, Welsh Government funded 300 ISC placements.



- 8.131 Table 39 below sets out the total Careers Wales spent per year on undertaking reviews together with the cost per review between 2011-12 and 2013-14.

Table 39: cost per review of statement by year

	2011-12 (£)	2012-13 (£)	2013-14 (£)	Total	Average	2016-17 prices (£)
Spend on reviews (£)	280,800	237,600	266,400	784,800	261,600	274,800
Number of reviews undertaken	5,234	4,298	4,668	14,200	4,733	4,668
Cost per review	54	55	57		55	59

- 8.132 As Table 39 sets out, in 2013-14 Careers Wales spent approximately £266,400 on reviewing statements. This is equivalent to £274,800 in 2016-17 prices.
- 8.133 The total cost to Careers Wales of undertaking learning and skills plan assessments, preparing funding applications and reviewing statements in 2016-17 prices is estimated to be approximately £763,400 per year (see Table 37 above).

### **Mainstream further education institutions**

- 8.134 Further education institutions received discrete and mainstream funding totalling £7,500,000 in 2013-2014 for LDD provision. This funding comes from the Welsh Government and might be used, for example, for one-to-one support for learners and for communication support workers. The total discrete and mainstream funding received by FEIs between 2011-12 and 2013-14 was £22,200,000.
- 8.135 Deloitte suggests a small proportion of funding may relate to assessment of need and annual reviews. It was not possible, however, for Deloitte to disaggregate spending on these two areas. It was possible, however, to estimate the costs FEIs incur when reviewing plans and responding to complaints based on the assumption the cost to FEIs are equivalent to those incurred by schools and local authorities.

- 8.136 There is currently no statutory requirement for young people to have a college-based plan and no guidance which sets out the expectations of plans to support young people with SEN during their further education. Most FEIs do, however, meet with learners with LDD to agree the support required and some form of documentation will be completed and reviewed on an annual basis.
- 8.137 There are 8,905 young people with LDD (excluding young people with profound and multiple learning difficulties)<sup>74</sup> who attend FE. Based on the assumption the cost to FEIs for reviewing plans for young people with LDD is equivalent to the cost of £24 currently incurred by mainstream schools for reviewing individual education plans (see Table 32 above), the cost to FEIs for reviewing 8,905 plans is estimated to be approximately £213,700 per year.
- 8.138 In addition, there are currently 120 young people in FEIs with profound and multiple learning difficulties<sup>75</sup>. Based on the assumption the cost to FEIs to review college plans for young people with profound and multiple learning needs is equivalent to the cost of £124 currently incurred by mainstream schools for reviewing a statement (see Table 32 above), the estimated cost to FEIs is approximately £14,900 per year.
- 8.139 In total then, it is estimated FEIs incur costs of approximately £228,600 a year reviewing college-based plans and learning and skills plans.

Table 40: estimated cost to FEIs of undertaking IDP reviews

	Individual cost	Number	Total (£)
Reviewing plans – young people with profound and multiple learning difficulties	124	120	14,900
Reviewing plans – young people	24	8,905	213,700

<sup>74</sup> <https://statswales.gov.wales/Catalogue/Education-and-Skills/Post-16-Education-and-Training/Further-Education-and-Work-Based-Learning/Learners/Further-Education/UniqueLearnersEnrolledFurtherEducationInstitutions-by-PrimaryDisability-Gender>

<sup>75</sup> Children and young people with profound and multiple learning difficulties have a profound cognitive impairment/learning difficulty, leading to a significant delay in reaching developmental milestones. In addition, they display one or more of the following: significant motor impairments, significant sensory impairments, and/or complex health care needs/dependence on technology.

with LDD			
<b>Total</b>		<b>9,025</b>	<b>228,600</b>

8.140 FEIs are also likely to receive some complaints about the support they provide young people with ALN.

8.141 As set out above, there are 120 young people with profound and multiple learning difficulties up to the age of 25 who attend FE in Wales. If young people with profound and multiple learning difficulties disagree about the content of their plan at the same rate as young people with SEN in school currently disagree with the content of their statement, it is estimated FEIs would received one complaint a year about the content of their plan<sup>76</sup>. Based on the assumption the cost incurred by FEIs when responding to complaints is the same as that incurred by local authorities (£2,121), it is estimated FEIs could incur costs of approximately £800 a year responding to complaints about the support they deliver to young people with profound and multiple learning difficulties.

8.142 In addition, there are 8,905 young people with LDD who attend FE in Wales. As with schools (see paragraph 8.113), data about the number, type or outcome of college complaints is not collated centrally. It is not, therefore, possible to determine the number of complaints colleges receive which are disagreements about ALP for young people with LDD. Thus, it has not been possible to estimate the current number or costs of complaints about college plans for young people with LDD who attend FE in Wales. These costs are, therefore, unknown.

8.143 In total then, it is estimated FEIs incur costs of approximately £229,400 a year reviewing college-based plans and learning and skills plans, and responding

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<sup>76</sup> In 2015-16, there were 107,668 young people in school with SEN and local authority disagreement resolution services were used on an estimated 758 occasions. That is, 0.7% of young people with SEN in schools used dispute resolution services. Assuming 47% of these disagreements were about the content of statements, 0.33% of young people with SEN in school used disagreement resolution services regarding complaints about the content of their statement.

to complaints about the support they deliver to young people with LLD and profound and multiple learning difficulties.

### **Special Educational Needs Tribunal Wales**

- 8.144 The Special Educational Needs Tribunal Wales (SENTW) hears and decides on appeals regarding certain decisions made by local authorities in relation to statements.
- 8.145 In 2015-16 total there were 105 appeals made to SENTW about certain local authority decisions. 57 (54%) appeals were concerned with local authority decisions about not having a statement and 48 (46%) were concerned with local authority decisions about having a statement (see Table 20 above).
- 8.146 Cases related to having a statement are estimated to cost three times more than cases related to not having a statement<sup>77</sup>. This arises due to the complexity of cases about having a statement. In addition, a higher proportion of cases about not having a statement are dropped before they are heard<sup>78</sup>. In such instances, whilst there are administrative costs, there are no tribunal hearing costs<sup>79</sup>.
- 8.147 In 2015-16, SENTW incurred costs of approximately £149,700<sup>80</sup>. Of this, it is estimated approximately £107,300 (72%) was incurred due to cases related to

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<sup>77</sup> Source: SENTW.

<sup>78</sup> In an analysis of appeals between 2012 and 2015 regarding refusal to assess/re-assess/statement, SENTW found 79.5% of cases were discharged before reaching case statement stage (the evidence deadline for submitting the statement of a case in relation to the appeal submitted), compared to 45% of cases relating to content of statements. Cases discharged at this early stage only involve around 10% of the time/work which would be spent on a case that progresses to hearing. A further 8.5% of refusal cases were discharged before hearing (21% for content cases), involving approximately 55% of the time/work which would be used on a case that progresses to hearing. Just 12% of refusal cases actually reached hearing (using 100% of time/work on a case). This compared to 34% of content cases which reached hearing stage, incurring 100% of costs.

<sup>79</sup> Whilst appeal cases dropped before they are heard at tribunal have lower costs to the tribunal, they do not necessarily result in lower costs for the appellant or the local authority, since the costs of putting the case or defence together can be the same, regardless of whether the case is heard or not. Thus, when calculating the costs to parents and local authorities in relation to appeals about not having a statement, the costs have not been adjusted.

<sup>80</sup> Actual figure £149,704.97. This includes training costs for members of approximately £30,000.

having a statement and approximately £42,500 (28%) was incurred as a result of cases related to not having a statement<sup>81</sup>.

8.148 In 2016-17 prices, it is estimated SENTW would incur costs of £152,000, of which approximately £108,900 would be incurred as a result of cases related to having a statement and £43,100 would be incurred as a result of cases related to not having a statement.

8.149 Table 41 below sets out the estimated cost to SENTW of appeals related to decisions about not having a statements and the costs of appeals related to decisions about the content of statements in 2016-17 prices.

Table 41: cost to SENTW for appeals against local authority decisions 2016-17 prices, by type of appeal

	<b>Total cost (£)</b>	<b>Cost per appeal</b>
Not having a statement	43,100	756
Having a statement	108,900	2,269
<b>Total</b>	<b>152,000</b>	

### **Children, young people and parents**

8.150 The current assessment and review system is overly complex. This can militate against early intervention, creating delays in getting young people the support they need when they need it. As a result, needs can escalate unnecessarily, having negative impacts for the young person.

8.151 The complexity of the current SEN assessment and planning process can result in parental confusion, anxiety and frustration, can be alienating and can result in a lack of confidence in the system, even where practice appears to be good and there is relative satisfaction with the outcomes achieved<sup>82</sup>.

<sup>81</sup>  $(1 \times 57) + (3 \times 48) = 201$  (or 57 units related to not having a statement and 144 units related to having a statement = 201 cost units). The cost of appeals related to having a statement is (£149,704.97/201)

\*144=£107,251 and the cost of appeals related to not having a statement is £149,704.97/201)

\*57=£42,454.

<sup>82</sup> <http://www.natcen.ac.uk/media/25055/parental-confidence-special-educational.pdf>

- 8.152 Where young people and parents wish to challenge decisions related to issuing a statement or to the content of a statement, costs to parents can be significant.
- 8.153 In 2013, Kids First undertook a survey of parents' experiences of the Special Educational Needs and Disability (SEND) tribunal in England. As part of the survey, parents were asked about the costs they incurred when making an appeal to a SEND tribunal<sup>83</sup>. The cost to parents ranged from no cost to over £30,000<sup>84</sup>, with 42% of parents (n=110) incurring no cost and 10% of parents (n=25) incurring costs of over £20,000 (see Table 42 below).
- 8.154 Where parents had to pay professionals (that is, they did not access free support services from a charity or could not self-advocate) the average costs was approximately £9,600 (n=150). Where parents were able to access free support services and/or self-advocate, the survey found the average cost to parents for registering an appeal was £5,500 (n=260).

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Audit Commission (2002) SEN policy focus paper; Audit Commission, Statutory assessment and statements of SEN: in need of review?; Tennant, R., Callanan, M., Snape, D., Palmer, I. and Read, J. (2008) SEN Disagreement Resolution Services: National Evaluation, DCSF Research Report RR054.

<sup>83</sup> <http://www.mertonmencap.org.uk/pdfs/SEND-Tribunal-Survey-Results-August2013.pdf>

<sup>84</sup> one parent reported being £80,000 in debt after paying for an appeal to the second tier Tribunal

Table 42: cost to parents of making an appeal

Cost	Number of parents	Percent (%)
Incurred no cost	110	42
Less than £5,000	72	28
£5,000 to £20,000	53	20
Over £20,000	25	10

Source: Kids First (2013)

8.155 Based on the Kids First (2013) survey findings, the total estimated cost to parents in 2013-14 for registering 78 appeals with SENTW ranged between £430,700 where free services are accessed and £746,600 where professional services only are used<sup>85</sup>.

8.156 Table 43 sets out the cost to parents, where the average lower cost is based on an average of £5,500 (where parents accessed free support services or self-advocated) and the average upper case is based on the figure of £9,600 (where parents did not access free support services or self-advocate). The estimated range of costs to parents for 2016-17 is between £598,200 and £1,036,900. The midpoint is £817,550.

Table 43: average range of costs to parents for registering an appeal

	Appeals to SENTW	Average lower cost	Average upper cost	Average mid-point
2011-12	86	474,900	823,200	649,050
2012-13	73	403,100	698,800	550,950
2013-14	78	430,700	746,600	588,650
2014/15	101	557,700	966,800	762,250
2015-16	105	579,800	1,005,100	792,450
2016-17 prices	105	598,200	1,036,900	817,550

8.157 As well as incurring costs related to registered appeals, parents who disagree with decisions taken by local authorities also incur costs. As Table 44 below sets out, parents are estimated to have spent a total of £2,773,150 in 2013-14

<sup>85</sup> The costs to parents are not intended to represent the cost to parents who use SNAP Cymru. Whilst SNAP Cymru case figures have been used, the RIA recognises there will be more parents who progress disagreements, since not all parents will use SNAP Cymru services. Thus, the figures used refer to parents generally and not just those parents who use SNAP Cymru services.

resolving disagreements with local authorities. This is equivalent to £2,861,050 in 2016-17 prices.

Table 44: average cost of dispute resolution to parents

	<b>Cost per appeal</b>	<b>Factor</b>	<b>Cost per dispute</b>	<b>Disputes per year</b>	<b>2013-14 (£)</b>	<b>2016-17 prices (£)</b>
Cost to parent – without disagreement resolution services support	9,572	2.32	4,641	758	3,517,400	3,628,900
Cost to parent – with disagreement resolution services support	5,522	1.34	2,677	758	2,028,900	2,093,200
<b>Average cost to parent</b>			<b>3,659</b>		<b>2,773,150</b>	<b>2,861,050</b>

8.158 In 2016-17 prices, parents are estimated to have incurred costs totalling approximately £3,678,600 (see Table 7) resulting from disagreements (£2,861,050, see Table 44) and making appeals (£817,550, see Table 43) in response to local authority decisions about statements.



**Option two: replace the SEN and LDD plans with a statutory IDP for those with additional learning needs**

- 8.159 Under option two, the plans for young people with additional learning needs including statements of SEN, individual education plans and learning and skills plans would be brought together under a single statutory individual development plan (IDP) for all children and young people aged 0-25 with additional learning needs. In addition, existing requirements regarding who must contribute to the preparation and review of plans will be reformed with the aim of making the system more efficient and effective.
- 8.160 Currently, when making an assessment, a local authority must seek advice from:
- the child's parent;
  - the head teacher (or equivalent);
  - the health authority, who must obtain the advice from a fully registered medical practitioner;
  - an educational psychologist;
  - social services authority; and
  - any other advice which the authority considers appropriate for the purpose of arriving at a satisfactory assessment<sup>86</sup>.
- 8.161 Under option two, local authorities will have to seek advice from professionals only where it is relevant. Where a child or young person does not have any medical or health needs, for example, local authorities will not have to seek the advice of the health board.
- 8.162 Under option two, local authorities and schools can continue to invite educational psychologists to participate in IDP assessment and review meetings.
- 8.163 Under the current system, statements cease when a young person moves to further education and statutory learning and skills plans are developed for

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<sup>86</sup> See the Education (Special Educational Needs) (Wales) Regulations 2002 (2002 No 152).

those learners with more severe and complex needs. Careers Wales is responsible for developing learning and skills plans for learners with LDD entering FE.

8.164 Under option two, learning and skills plans will be replaced by IDPs and responsibility for developing or maintaining IDPs for this group of young people will be transferred to local authority education services. Further education institutions will have a statutory responsibility, where appropriate, for developing<sup>87</sup> and maintaining IDPs for learners who have ALN and require ALP.

8.165 Option two is the preferred option.

### **Summary of costs**

8.166 As Table 45 below shows, if option two is implemented, there is potential for an estimated saving to public administration of £822,885 per year (taking into account the midrange).

8.167 There are a number of calculations which use a mid-range. Table 45 sets out the difference between options one and two as estimated costs and savings. In addition, where a mid-range has been used, the final column in the table sets out the costs and benefits having taken into account the mid-range.

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<sup>87</sup> Since the majority of learners will enter further education from school with an IDP, the number of IDPs FEIs will have to develop is expected to be very low.

Table 45: comparison of costs of options one and two, by organisation

	Option one (£)	Option two (£)	Difference (£)	Difference including mid-range (£)
<b>Local authority education services</b>				
Statutory assessments	7,980,700	7,980,700	0	0
Statutory reviews	4,023,600	4,023,600	0	0
Local authority funded disagreement resolution services – disagreements	384,950	180,920	-204,030	-102,015
Responding to disagreements	1,633,100	767,560	-865,541	-432,770
Local authority funded disagreement resolution services – appeals	5,300	2,400	-2,900	-1,450
Responding to appeals	1,083,300	498,300	-585,000	-292,500
IDP reviews FE	0	107,400	107,400	107,400
Appeals – FE <sup>88</sup>	0	16,400	16,400	15,950
Local authority funded disagreement resolution services – FE	0	15,500	15,500	15,500
Local authority – responding to disagreements - FE	0	2,200	2,200	2,200
<b>Total</b>	<b>15,110,950</b>	<b>13,594,980</b>	<b>-1,515,970</b>	<b>-687,685</b>
<b>Total including midrange</b>	<b>15,110,950</b>	<b>14,423,265</b>	<b>-687,685</b>	<b>-828,285</b>
<b>Local authority social services</b>				
Statutory assessments/ IDP assessments	307,800	307,800	0	0
Statutory reviews/ IDP assessments	182,100	182,100	0	0
<b>Total</b>	<b>489,900</b>	<b>489,900</b>	<b>0</b>	<b>0</b>
<b>Total including midrange</b>	<b>489,900</b>	<b>489,900</b>	<b>0</b>	<b>0</b>
<b>Mainstream schools</b>				
Statutory assessments/ IDP assessments	1,410,100	1,410,100	0	0
Statutory reviews/IDP reviews	1,547,000	1,547,000	0	0
Non-statutory assessments/ IDP assessments	2,959,300	2,959,300	0	0
Non-statutory reviews/IDP reviews	2,158,300	2,158,300	0	0
<b>Total</b>	<b>8,074,700</b>	<b>8,074,700</b>	<b>0</b>	<b>0</b>
<b>Total including midrange</b>	<b>8,074,700</b>	<b>8,074,700</b>	<b>0</b>	<b>0</b>
<b>Special schools</b>				
Statutory assessments/ IDP assessments	0	0	0	0
Statutory reviews/IDP reviews	938,700	938,700	0	0
<b>Total</b>	<b>938,700</b>	<b>938,700</b>	<b>0</b>	<b>0</b>
<b>Total including midrange</b>	<b>938,700</b>	<b>938,700</b>	<b>0</b>	<b>0</b>
<b>Local health boards</b>				
Statutory assessments/ IDP assessments	1,829,100	1,829,100	0	0
Statutory reviews/IDP reviews	1,082,600	1,082,600	0	0
<b>Total</b>	<b>2,911,700</b>	<b>2,911,700</b>	<b>0</b>	<b>0</b>
<b>Total including midrange</b>	<b>2,911,700</b>	<b>2,911,700</b>	<b>0</b>	<b>0</b>
<b>Careers Wales</b>				
Assessments – learning and skills plans	354,700	0	-354,700	-354,700
Reviews	274,800	274,800	0	0
<b>Total</b>	<b>629,500</b>	<b>274,800</b>	<b>-354,700</b>	<b>-354,700</b>

<sup>88</sup> A reduction of £450 has been made since this is the mid-range of the estimated cost of £0-900 for dispute resolution services for cases which go to tribunal (see para 8.186).

<b>Total including midrange</b>	<b>629,500</b>	<b>274,800</b>	<b>-354,700</b>	<b>0</b>
<b>SENTW</b>				
Appeals – current age range	152,000	108,900	-43,100	-21,600
Appeals – extended age range	0	12,500	12,500	6,300
<b>Total</b>	<b>152,000</b>	<b>121,400</b>	<b>-30,600</b>	<b>-15,300</b>
<b>Total including midrange</b>	<b>152,000</b>	<b>136,700</b>	<b>-15,300</b>	<b>-15,300</b>
<b>Further education institutions</b>				
Reviews	228,600	228,600	0	0
Disagreements	800	800	0	0
Appeals - profound and multiple learning difficulties	0	2,600	2,600	2,600
Appeals – LDD	0	41,300	41,300	20,600
<b>Total</b>	<b>229,400</b>	<b>273,300</b>	<b>43,900</b>	<b>23,200</b>
<b>Total including midrange</b>	<b>229,400</b>	<b>250,100</b>	<b>20,700</b>	<b>20,700</b>
<b>Total</b>	<b>28,536,850</b>	<b>26,679,480</b>	<b>-1,857,370</b>	<b>-1,034,485</b>
<b>Total including midrange</b>	<b>28,536,850</b>	<b>27,502,365</b>	<b>-1,034,485</b>	<b>-822,885</b>

8.168 As set out in table 51, there is potential for service providers to benefit from an estimated saving of £150,770 a year and for parents to save an average of approximately £832,375 per year.

8.169 The transition costs<sup>89</sup> set out in this section are gross costs, since the Welsh Government is making grants available to local authorities and to SENTW to support the implementation of the Bill.

<sup>89</sup> Transition costs are one-off costs.

Table 46: gross transition costs

	Activity	Cost	Opportunity costs	Total
Local Authority education service	Training – assessment and reviewing officers		18,200	<b>18,200</b>
Local authority social services	Training – LACE co-ordinators <sup>90</sup>		3,800	<b>118,700</b>
	Training social workers		114,900	
SENTW	Training – tribunal members	35,100		<b>100,900</b>
	Additional members	25,300		
	Updating publications, forms and processes	50,500		
<b>Total</b>				<b>237,800</b>

8.170 As Table 46 sets out, the total transition costs are £237,800 for introducing option two. Local authority education services are estimated to incur opportunity costs of £18,200, local authority social services are estimated to incur opportunity costs of £118,700 and SENTW to incur transition costs of £100,900.

## Welsh Government

### Ongoing costs

8.171 There are no additional ongoing costs for the Welsh Government as a result of option two.

### Transition costs

8.172 Welsh Government transition costs associated with the Bill are set out in detail in Table 5 above.

## Local Authority Education Services

### Ongoing costs

<sup>90</sup> Looked after children education co-ordinator.

- 8.173 As set out above in Table 45, it is estimated local authorities spend a total of £12,004,300 a year assessing (£7,980,700) and reviewing (£4,023,600) statements.
- 8.174 Overall, there will be no additional ongoing costs for local authority education services under option two. Rather, the findings from the regulatory impact assessment suggest there is potential for local authorities to save an estimated £687,685 (taking into account the midrange).
- 8.175 Currently, the majority of learners who have SEN or LDD have their needs met by maintained nurseries, schools or FEIs. It is expected this will remain the same under option two.
- 8.176 Under option two, local authorities would not be involved in the majority of IDP assessments and reviews. Rather, local authorities would only be required to be involved in the assessment or review of an IDP where the learner's needs could not reasonably be met by a maintained nursery, a school or an FEI, or where there is a need to reconsider a decision taken by a maintained nursery, a school or an FEI on a learner's ALN or additional learning provision.
- 8.177 Children and young people whose special educational needs cannot be met by maintained nursery or schools fall into the group of children and young people likely to be in receipt of a statement of special educational needs. Local authority education services are currently involved in assessing and reviewing statements of special educational needs. It is expected it will be this group of learners local authorities will continue to be responsible for under option two. Thus, there would be no additional responsibilities or costs for local authority education services in relation to IDPs for young people in maintained nurseries or school settings.
- 8.178 Local authorities will, however, have new responsibilities in relation to IDPs for young people in FE. Currently, all learners in receipt of a statement whilst at school will have a learning and skills plan when they enter FE. The Welsh

Government currently funds Careers Wales to develop learning and skills plans, at a cost of approximately £354,700 a year.

- 8.179 Under option two, Careers Wales will no longer be responsible for developing learning and skills plans, since they will be replaced by IDPs. The group of learners currently in receipt of learning and skills plans are those with the most complex needs who generally attend independent specialist colleges.
- 8.180 Since local authority education services will be responsible for developing and maintaining IDPs for young people with the most complex needs, it is expected local authorities will generally be responsible for maintaining IDPs for those young people who would currently be in receipt of a learning and skills plan. Local authorities will not have to develop a new plan for young people entering FE since the IDP will follow them to FE. Rather, the additional responsibility to local authorities will be in respect of reviewing IDPs for those young people in FE.
- 8.181 In 2015-16, there were 298 young people with complex needs who attended independent specialist colleges. Based on an average cost of £300 per review<sup>91</sup>, the estimated additional cost to local authorities for reviewing these IDPs is £89,400.
- 8.182 Some young people with complex needs attend mainstream further education. In 2014-15<sup>92</sup> there were 120 young people with complex needs who attended an FEI<sup>93</sup>. A proportion of these young people will receive local authority ALP to support them during FE. In such instances, the local authority will maintain their IDP. The proportion of young people with complex needs who will have a local authority maintained IDP is not known. For illustrative purposes, it is assumed 50% of young people will have a local authority maintained IDP. That is, local authority education services will have the additional

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<sup>91</sup> The average cost to local authorities between 2011-12 and 2013-14 to review a statement was £290 (see Table 14 above) or £300 in 2016-17 prices.

<sup>92</sup> Latest data available at the time of writing.

<sup>93</sup> Referred to as profound and multiple learning difficulties.

<https://stats.wales.gov.wales/Catalogue/Education-and-Skills/Post-16-Education-and-Training/Further-Education-and-Work-Based-Learning/Learners/Further-Education/UniqueLearnersEnrolledFurtherEducationInstitutions-by-PrimaryDisability-Gender>

responsibility for reviewing 60 IDPs a year. The additional estimated cost for reviewing the IDPs local authorities maintain for young people who attend an FEI is £18,000 a year<sup>94</sup>.

- 8.183 In total, then, it is estimated local authorities will incur additional costs of £107,400 reviewing IDPs for young people who attend FE.
- 8.184 There is a risk local authorities will incur additional costs due to the potential for increased appeals to SENTW from young people with local authority IDPs who are making the transition to FE or are in FE.
- 8.185 If young people with complex needs/profound and multiple learning difficulties appeal about the content of their IDP at the same rate as young people with statements currently appeal about the content of their statement, it is estimated there could be approximately three appeals regarding the content of IDPs each two years<sup>95</sup>. As set out above, it is estimated the cost to responding to an appeal is £10,317. The cost for three appeals is £30,951 every two years. For each year, therefore, the cost is approximately £15,500.
- 8.186 In addition, local authorities fund disagreement resolution services to support young people and parents who appeal to SENTW. The cost of providing disagreement resolution services is estimated to be £4,125 per appeal. The cost of providing services for three appeals is £12,375. The yearly cost is, therefore, approximately £6,200 per year. Since it is not known whether young people and parents will choose to use disagreement resolution services, the cost is £0-6,200 with a mid range of £3,100. Of this, it is estimated local authorities will incur additional costs of approximately £450 and dispute resolution service providers will incur additional costs of approximately £2,650.

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<sup>94</sup> 50% of young people with complex needs who attend FEI is  $120/2=60$ . The cost per review is an estimated £300. Thus,  $60*300=£18,000$ .

<sup>95</sup> 358 young people with complex needs appealing at a rate of 0.79% would result in 3 appeals each year or 1.5 appeals about contents.



- 8.187 The total additional cost relating to appeals to SENTW is estimated to be approximately £18,600. Of this, it is estimated local authorities will incur additional costs of £15,950 and service providers will incur costs of £2,650.
- 8.188 In addition, there is a risk local authorities will incur additional costs as a result of disagreements about the content of plans. There are currently a total of 9,323<sup>96</sup> young people with LDD and profound and multiple learning difficulties in FE in Wales. Based on the assumption young people in FE will use disagreement resolution services at the same rate as children and young people with SEN in school currently use disagreement resolution services regarding their statements, there is potential for approximately 31 additional young people to use local authority services to resolve disagreements about the content of their IDPs<sup>97</sup>.
- 8.189 It is estimated the total cost for each disagreement supported through disagreement resolution services is £875. Thus, the total cost for an additional 31 cases supported through disagreement resolution services is estimated to be approximately £27,100. Of this, local authorities are estimated to incur costs of £15,500 and providers of dispute resolution services are estimated to incur costs of £11,600.
- 8.190 In addition, local authorities will incur costs responding to disagreements about the content of plans maintained by the local authority. Based on the assumption local authorities maintain 60 IDPs for young people with profound and multiple learning difficulties in FEIs and 298 IDPs for young people who attend an independent specialist college, and young people in FE disagree with the contents of their plans at the same rate as young people in school, it

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<sup>96</sup> 9,025 young people with profound and multiple learning difficulties and LDD in FEIs and 298 young people with profound and multiple learning difficulties in independent specialist colleges.

<sup>97</sup> Of the 107,668 young people with SEN, there were 758 disagreements which used LA funded services. That is 0.7% of young people with SEN used LA funded services for disagreements about both having a statement and about the content of the statement. It is estimated 47% of the disagreements were about the content of the plan, reducing the percentage to 0.33.

is estimated local authorities will respond to one additional disagreement a year at a cost of approximately £2,200<sup>98</sup>.

- 8.191 There is potential, therefore, for additional costs of £29,300 per year as a result of disagreements about contents of IDPs raised by young people in FE. Of this, it is estimated local authorities will incur additional costs of £17,700 and service providers will incur additional costs of £11,600.
- 8.192 In total, it there is potential for additional costs of £155,300 as a result of extending the scope of statutory plans to cover young people up to the age of 25 who are in FE. Of this, it is estimated local authorities will incur additional costs of £141,050 (made up of an additional £107,400 for reviews, £15,950 for appeals and £17,700 for disagreements) and service providers are estimated to incur additional costs of £14,250 (made up of £2,650 for appeals and £11,600 for disagreements).

## **Benefits**

- 8.193 When compared to option one, local authority education services are expected to incur less cost under option two for two reasons. First, local authorities are expected to benefit from having fewer disagreements regarding decisions relating to assessing and issuing IDPs than is currently the case with statements; and second, local authorities should benefit by having fewer decisions appealed to SENTW.
- 8.194 Currently, there is an incentive for parents to push local authorities to issue a statement as the provision within statements has statutory protection. Where local authorities decide not to issue a statement, this can result in costly disagreements and/or an appeal to SENTW against the decision not to issue a statement.

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<sup>98</sup> 358 young people disagreeing about the contents of their IDP at a rate of 0.33% would result in 1.2 disagreements. One disagreement at a cost of £2,155 (2016-17 prices) is approximately £2,200 per year.

- 8.195 Option two removes the distinction between statutory plans and non-statutory plans since all plans to support young people with additional learning needs will be statutory. Hence, option two removes the incentive for parents to pursue local authorities for a statement.
- 8.196 Since the distinction between statutory and non-statutory plans will be removed, it is expected the current costs associated with disagreements regarding decisions not to issue a statement will be saved.
- 8.197 As set out above in Table 18 above, the total cost of resolving 758 disagreements about statements is estimated to be £2,306,760. The estimated total cost of the 402 disagreements which were about not having a statement is £1,222,580. The distinction between statutory and non-statutory plans will be removed under option two. As a result, the disagreements about not having a statutory plan will not arise. There is, therefore, potential for a total saving of £1,222,580 per year. It is expected local authorities will save approximately £1,069,570 a year and service providers will save approximately £153,020 a year.
- 8.198 In addition, as set out in Table 21 above, there is total estimated cost of £1,120,400 as a result of 105 appeals about decisions relating to not having and to having a statement. Of this, local authorities are estimated to incur costs of approximately £1,088,600<sup>99</sup> and dispute resolution providers are estimated to incur costs of approximately £31,800. The total estimated cost of the 57 appeals about not having a statement is approximately £599,900. Of this, the cost to local authorities is estimated to be approximately £587,900, with dispute resolution service providers incurring estimated costs of £17,200. Since the distinction between statutory plans and non-statutory plans will be removed under the new system, appeals about not having a statement will not arise. Thus, there is potential for an overall estimated saving of approximately £599,900 per year.

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<sup>99</sup> Made up of £ 5,300 incurred from funding advocacy services and £1,083,300 responding to appeals.

Table 47: expected savings to local authorities and dispute resolution service providers, option two

	<b>Cases per year</b>	<b>Cost per year (£)</b>	<b>Mid range (£)</b>
<b>Option one</b> - local authority disagreement resolution service – disagreements	758	384,950	
<b>Option two</b> - local authority disagreement resolution service – disagreements	356	180,920	
<b>Saving</b>		<b>-204,030</b>	<b>-102,015</b>
<b>Option one</b> - local authority education services – disagreements	758	1,633,110	
<b>Option two</b> - local authority education services – disagreements	356	767,560	
<b>Saving</b>		<b>-865,550</b>	<b>-432,780</b>
<b>Option one</b> - local authority disagreement resolution service – appeals	105	5,300	
<b>Option two</b> - local authority disagreement resolution service – appeals	48	2,400	
<b>Saving</b>		<b>-2,900</b>	<b>-1,450</b>
<b>Option one</b> - local authority – response to appeals	105	1,083,300	
<b>Option two</b> - local authority – response to appeals	48	498,300	
<b>Saving</b>		<b>-585,000</b>	<b>-292,500</b>
<b>Local authority total saving</b>		<b>-1,657,480</b>	<b>-828,740</b>
<b>Option one</b> - disagreement resolution service provider – disagreements		288,710	
<b>Option two</b> - disagreement resolution service provider – disagreements		135,690	
<b>Saving</b>		<b>-153,020</b>	<b>-76,510</b>
<b>Option one</b> - disagreement resolution service provider – appeals		31,800	
<b>Option two</b> - disagreement resolution service provider – appeals		14,600	
<b>Saving</b>		<b>-17,200</b>	<b>-8,600</b>
<b>Service provider saving</b>		<b>-170,220</b>	<b>-85,110</b>
<b>Total saving</b>		<b>-1,827,700</b>	<b>-913,850</b>

8.199 In total, there is potential for savings of £1,827,700 as a result of the removal of disagreements and appeals about not having statements (see Table 47 above). Of this, local authorities are estimated to save £1,657,480 and providers are estimated to save £170,220.

8.200 However, there is also a risk, this benefit will not be fully realised.

8.201 Under option two, IDPs will be maintained by local authorities and by schools. It is possible parents may disagree with local authority decisions not to maintain an IDP. Although this risk is considered to be low, it is not possible to determine how people will behave and consequently it is not possible to determine the extent of the risk. Thus, the estimated saving to local authorities is approximately £0-1,657,480 per year, with a mid-range saving of £828,740. Taking into account the additional costs of £141,050 set out at paragraph 8.192 above, there is potential for local authorities to make an estimated saving of approximately £1,516,430 with a mid-range saving of £687,690 a year under option two. In addition, it is estimated dispute resolution service providers will save £0-170,220, with an estimated mid-range saving of £85,110. Taking into the additional cost of £14,250 set out at paragraph 8.192 above, there is potential for providers to make an estimated saving of approximately £155,970 with a mid-range saving of £70,860. In total, it is estimated local authorities and dispute resolution service provides will make an overall saving of approximately £1,672,400, with a mid-range saving of £758,550.

### **Transition costs**

8.202 Local authorities currently employ officers within inclusion units who are responsible for statement assessments and reviews. These officers will need to undertake training about their new responsibilities, including training on the legislative requirements introduced under the Additional Learning Needs and Education Tribunal (Wales) Act and those set out in the Additional Learning Needs Code which will accompany the act. In addition, officers will need to undertake training on the day-to-day processes and activities involved in developing and maintaining IDPs.

8.203 Data is not collected about the number of assessment and reviewing officers employed by local authorities, so it is not possible to determine with accuracy the opportunity costs which are expected to be incurred as a result of

undertaking training. It is, however, possible to illustrate the potential opportunity costs from the number of assessment and reviewing officers employed by Newport City Council.

- 8.204 In 2007-08, Newport City Council employed two assistant assessment and reviewing officers and two assessment and reviewing officers<sup>100</sup>. During 2007-08, Newport City Council had 860<sup>101</sup> children and young people with statements. Thus, one officer was employed per 215 children and young people with statements.
- 8.205 In 2015-16, there were 13,318 children and young people with a statement<sup>102</sup>. Based on the assumption assessment and reviewing officers across Wales have a similar case load as Newport City Council, it is estimated there are 62 assessment and reviewing officers in Wales.
- 8.206 Assuming a two day training course, it is estimated the total opportunity cost would be approximately £18,200<sup>103</sup>.
- 8.207 The Welsh Government will provide local authorities with training materials. It is expected these materials will be procured from training specialists. An expert sub-group of the ALN-SIG (strategic implementation group) is currently considering training requirements and will advise the Welsh Government about the approach to training. In addition, the Welsh Government will engage with stakeholders regarding the approach to training. This will include the medium which should be used, such as e-learning.

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<sup>100</sup> Assistant assessment and reviewing officers employed at local government spinal column point (SCP) 26-28 and assessment and reviewing officers employed at local government SCP 33-36. Average salary of £35,167 based on 2016-17 local government pay scales, including on costs.

<sup>101</sup> <https://statswales.gov.wales/Catalogue/Education-and-Skills/Schools-and-Teachers/Schools-Census/Pupil-Level-Annual-School-Census/Special-Educational-Needs/pupilssen-by-localauthorityregion-provision>

<sup>102</sup> <https://statswales.gov.wales/Catalogue/Education-and-Skills/Schools-and-Teachers/Schools-Census/Pupil-Level-Annual-School-Census/Special-Educational-Needs/pupilssen-by-localauthorityregion-provision>

<sup>103</sup> Based on a salary of 35,167 per year including on costs, 48 weeks, cost per day is £146.53. Two days at £146.53 for 58 employees is £18,169.72.

- 8.208 Since the form of the training is not known, it has not been possible to determine the exact cost to Welsh Government of the training materials. The Welsh Government has estimated costs of £390,000 for development of core skills, awareness raising and resources over the implementation period 2017-18 to 2020-21 (see Table 5 above).

### **Local authority social services**

#### **Costs**

- 8.209 There will be no additional ongoing costs to local authority social services as a result of implementing option two.

#### **Benefits**

- 8.210 Under option two, social services would only be invited to participate in assessments or reviews when their input can benefit the learner. Social services will be required when the assessment/review involves looked-after children; children with a care and support plan; placement of a learner at a post-16 specialist provider; or when their involvement can provide added value.
- 8.211 Consequentially, there is potential for social services to be involved in a reduced number of assessments and reviews. Since it is not known how many of the estimated 200 assessments undertaken each year involve young people outside of the mandatory group set out in the paragraph above, it is not possible estimate the potential savings.

#### **Transition costs**

- 8.212 There will be some transition costs for social services departments. Social workers will need to be aware of the changes being introduced under the Additional Learning Needs and Educational Tribunal (Wales) Bill but will not need to change their practice. There are not expected to be any changes, for example, in the written reports they submit to the ALNCo/IDP co-ordinator. In terms of the person-centred approach to developing IDPs, local authorities

have received Welsh Government funding to support the implementation of PCP.

- 8.213 There are 1,363<sup>104</sup> social workers within social work services for children and young people across Wales. The opportunity cost for 1,363 social workers to attend a half-day training course is estimated to be approximately £114,900<sup>105</sup>.
- 8.214 In addition, it is expected the looked after children education (LACE) co-ordinator in each local authority will undertake a one-day training course on the new system. The estimated opportunity cost for training 22 LACE co-ordinators is approximately £3,800<sup>106</sup>.
- 8.215 In total, then, it is estimated local authority social services will incur an opportunity cost of £118,700. This is a one-off cost which is expected to be incurred in 2017-18.

## **Schools**

### **Costs**

- 8.216 There will be no additional ongoing costs to schools as a result of option two. The number of children and young people with ALN will be equivalent to the current number of children and young people with SEN. Thus, there is not expected to be an increase in demand for provision to support young people with ALN.
- 8.217 In addition, there will be no increase in the number of young people who will be entitled to a school maintained plan. Schools are currently involved in

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<sup>104</sup> 2014-15. Latest available data at time of writing. See:

<https://statswales.gov.wales/Catalogue/Health-and-Social-Care/Social-Services/Staffing/staffoflocalauthoritiesocialservicesdepartments-by-localauthority-posttitle>

<sup>105</sup> Basic salary of £30,645 for social workers 2014-15 price (see <http://www.pssru.ac.uk/project-pages/unit-costs/2015/index.php>), £39,839 including on-costs. Half day salary cost of £83, based on 48 weeks. Cost per half day 2016-17 prices is £84.31. Total cost 2016-17 prices, £114,915.

<sup>106</sup> Based on a salary of £39,839 including on-costs, 2014-15. One day cost of £168.62, based on 48 weeks. One day cost of £171.29, 2016-17 prices. Cost for 22 LACE co-ordinators, £ 3,768.34.



assessment and reviews of both statements and individual education plans and this will continue under option two in respect of IDPs.

### **Transition costs**

- 8.218 Schools are not expected to incur any additional costs as a result of making the shift from statements and individual education plans to IDPs since it will be possible for the transition to be made when local authorities and schools would normally undertake the annual review.
- 8.219 Although there is a risk reviews involving a move from statements and individual education plans to IDPs may take longer than reviews currently take, since the system will not be as familiar as the current one. This risk is, however, expected to be minimal. Local authorities and schools will already be using PCP when the provision is implemented and will, therefore, be familiar with the approach underpinning IDPs. In addition, the majority of the information required for the IDP will be contained in the existing statement or individual education plan.
- 8.220 Where schools have not developed individual education plans for children and young people with special educational needs who are on School Action or School Act Plus, as recommended in the Special Educational Needs Code of Practice for Wales<sup>107</sup>, there will be additional costs as additional resources will be required.
- 8.221 Any additional costs associated with developing IDPs for children and young people who are in receipt of School Action or School Action Plus support but do not have an individual education plan, have not been included in this impact assessment. This is because the additional resources do not result from the implementation of the provisions in this Bill as the expectation is individual education plans will already be in place.

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<sup>107</sup> <http://learning.gov.wales/docs/learningwales/publications/131016-sen-code-of-practice-for-wales-en.pdf>

- 8.222 It is expected the ALNCos will undertake training as part of the initial training for their new role (see section on special educational needs support co-ordinators in education below).

### **Benefits**

- 8.223 Since the processes for assessing and reviewing IDPs are more flexible than statements, IDPs will facilitate early intervention. This will have benefits for schools since early intervention is expected to avoid issues from escalating and hence, resources from escalating. It has not been possible to quantify the benefits associated with early intervention.

### **Careers Wales**

#### **Costs**

- 8.224 It is estimated Career Wales spend approximately £763,400 a year assessing and reviewing plans for children and young people. Of this, £354,700 is spent on developing learning and skills plans, £133,900 is spent on making funding applications (see Table 38 above) and £274,800 is spent on reviewing statements (see Table 37 above).
- 8.225 Under option two, Careers Wales will no longer be responsible for developing learning and skills plans, since learning and skills plans will be replaced by IDPs. In addition, the process of making funding applications will not exist under option two.
- 8.226 There will be no additional ongoing costs to Careers Wales as a result of introducing option two.

### **Benefits**

- 8.227 The introduction of a single plan which follows a young person throughout their education means the need to develop a separate learning and skills plan in preparation for young people entering FE will no longer be required. Rather, the planning will take place as part of the IDP review process.

8.228 Careers Wales spend approximately £354,700 a year developing learning and skills plans. Since learning and skills plans will be replaced by IDPs, there will be an estimated saving of approximately £354,700 per year. In the short term, 2018-19 to 2019-20, Welsh Government will continue to fund Careers Wales, as the role being undertaken by Careers Wales will change from developing learning and skills plans to supporting local authorities to maintain IDPs for this particular group of young people. This transition period will ensure the knowledge Careers Wales has built up about independent specialist colleges will be transferred to local authorities.

### **Transition costs**

8.229 As stated above, Welsh Government will continue to fund Careers Wales during the two year period 2018-19 to 2019-20. Thus, there is a transition cost to the Welsh Government of approximately £709,400. This cost is not included in the summary of transition costs set out Table 46 above but is included in the Welsh Government summary of transition costs set out in Table 5 above, which sets out the Welsh Government transition costs.

### **Local Health Boards**

8.230 Under option two, health boards would be expected to contribute to local authority maintained IDPs as appropriate. Health boards currently contribute to statutory and non-statutory plans for school-based learners. Therefore, the involvement of health boards in assessing need and reviewing plans for school-based learners with ALN is not expected to increase under this option.

8.231 Currently, statutory plans cover young people whilst in school-based settings only. Option two extends the current scope of statutory plans to include young people up to the age of 25 where they remain in education.

8.232 Young people who have the most complex needs and attend a specialist FE establishment currently have a statutory learning and skills plan. Where a young person needs medical care whilst at a specialist FE establishment, the

health board will be asked to contribute to the learning and skills plan. Under option two, this practice will continue with health boards being asked to contribute to the IDP. Thus, there will be no additional costs to health boards where a young person attends a specialist FE establishment.

- 8.233 There are currently no requirements for young people who have less complex needs to have a special educational needs plan. There are, therefore, no formal arrangements for local authorities or FEIs to engage health boards in planning or reviewing plans for young people who need health or medical care whilst at an FEI.
- 8.234 Option two will introduce a requirement for health boards to be involved in assessments and reviews where young people have health care needs that impact their education. This additional requirement is not expected to result in additional costs since young people with health care needs will be known about, having been identified whilst at school. Thus, health care needs will likely be assessed prior to entering FE, as part of the IDP process.

### **Benefits**

- 8.235 Option two will be more flexible than the current system. Health boards will only be required to contribute to an IDP where there is a health need that requires appropriate health provision. Currently, local authorities have to invite the health board to contribute to all assessments and reviews of statements, regardless of whether there is a health need.
- 8.236 Thus, the involvement of health services staff would be no greater than current levels of involvement, with the potential for reduced involvement, as appropriate. It has not been possible to estimate any potential savings as a result of reduced levels of involvement in contributing to plans where such input is unnecessary, since it is not known how many statements currently require a health input.

## **Transition costs**

- 8.237 Health board staff will need to be aware of the changes being introduced under the Additional Learning Needs and Education Tribunal (Wales) Bill. There may be some transition costs associated with this but it is expected staff will become aware of the expectations of the new system through awareness raising activities undertaken by the DECLO (see section below about strategic co-ordinators in health, pages 188-194).
- 8.238 Health board staff will not require training in relation to practice, since there will be no change to current practice in relation to making contributions to IDPs. In particular, reports will be produced and submitted in a way that is consistent with current arrangements.
- 8.239 The Welsh Government will develop awareness raising materials (see section on Welsh Government implementation costs above).

## **Risks**

- 8.240 There is a potential for additional health needs to be identified since the scope of statutory plans has been increased to include young people in FE.
- 8.241 In the majority of cases, however, learners with ALN would have had their needs identified as part of the IDP before going into FE, including any health provision required.
- 8.242 Currently, there is no statutory duty for health boards to be involved in planning or reviewing educational plans for those in FE, but FEIs do have a duty of care to learners and would signpost or refer them to the NHS as necessary. It is anticipated the numbers of learners entering post-16 provision will remain relatively similar to current levels. Therefore, the rate of new

referrals to health boards relating to post-16 learners with newly identified ALN should remain relatively constant.

- 8.243 The introduction of a statutory planning process for those in post-16 education could, however, include learners who have health needs which may not have been identified previously. This may arise, for example, where a young person has an accident or develops a mental health issue.
- 8.244 It is not possible to quantify the number of learners who attend an FEI and who go on to develop a health care need. It has not been possible, therefore, to estimate any additional costs. This cost is, therefore, unknown.

## **Special Educational Needs Tribunal Wales**

### **Ongoing costs**

- 8.245 Overall, it is estimated there is potential for SENTW to see a reduction in ongoing costs of approximately £15,300 as a result of option two. The extent to which this saving will be realised is unknown. This is because there is both potential for an increase in cost of £0-12,500 and potential for savings of £0-43,100.

### **Costs**

- 8.246 There is a risk there could be an increase in the number of appeals to SENTW under option two, due to the changes in the age of children and young people who would have a right to appeal.
- 8.247 Currently, all children and young people over the age of two up to the end of compulsory school age and all young people older than compulsory school age up to the age of 19 who are being educated at school can appeal about not receiving a statement of SEN, or if they have a statement, can appeal against the contents of their statement.
- 8.248 Under option two, every young person age 0-25 can appeal about local authority decisions about not having a local authority maintained IDP, or if

they have a local authority maintained IDP, appeal against the provision agreed (or not agreed) within their IDP. The right of appeal is extended to children and young people aged 0-2yrs and to those young people, who are not at school, are older than compulsory school age but who are younger than 25 and in FE. That is, option two extends the right of appeal to children under the age of two and to young people who wish to, or who already do, attend FE.

- 8.249 The risk of increased appeals to SENTW is considered to be small for young people aged 0-2. Where this group of young people have an issue which could make it difficult for them to learn, such as having a speech and language difficulty, they are identified by, and referred to relevant professionals, by health visitors.
- 8.250 The extent of the risk in relation to young people enrolled in FE is unknown. It is possible young people in FE with complex needs will appeal about the content of their plan at the same rate as children and young people in school with SEN appeal against the content of their statement<sup>108</sup>.
- 8.251 As Table 48 below sets out, in 2014-15 there were 120 young people in FE who had profound and multiple learning difficulties<sup>109</sup>. In addition, there are 298 young people with complex needs who attend an independent specialist college. If these 418 young people appeal about the content of their IDP at the same rate as young people in school currently appeal about the content of their statement, it would be expected there would be approximately three appeals regarding the content of IDPs every two years<sup>110</sup>. The cost to SENTW for an appeal about having a statement is estimated to be £2,269

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<sup>108</sup> In 2015-16 there were 13,318 young people with statements in schools and 105 appeals. That is 0.79% of young people with statements made appeals. An average of 47% of appeals are about the content of statements.

<sup>109</sup> Latest available data at time of writing. See: <https://statswales.gov.wales/Catalogue/Education-and-Skills/Post-16-Education-and-Training/Further-Education-and-Work-Based-Learning/Learners/Further-Education/uniquelearnersenrolledfurthereducationinstitutions-by-primarydisability-gender>

<sup>110</sup> 418 young people appealing at a rate of 0.79% would result in three appeals each year or 1.5 appeals about contents.

(see table 41 above). The cost for three appeals would be £6,807. Thus, the potential additional cost to SENTW each year is approximately £3,400.

Table 48: young people in FE who have profound and multiple learning difficulties and LDD which impacts on ability to learn and/or to use facilities generally supplied by the learning provider, 2014-15

	profound and multiple learning difficulties	LDD
Under 16	0	270
16	30	2,300
17	20	2,055
18	15	1,295
19	20	945
20 to 24	35	2,075
	<b>120</b>	<b>8,905</b>

Source: StatsWales<sup>111</sup>

8.252 In addition, there is a risk SENTW could incur additional costs if young people with LDD in FE appeal about the content of their IDP at the same rate as young people with SEN in school currently appeal about the content of their statement. In 2015-16, there were 107,668 young people in school with SEN and 105 appeals. That is, 0.1% of young people with SEN in school appealed to SENTW.

8.253 If 0.1% of the 8,905 young people with LDD in FE appeal to SENTW, it is estimated there would be approximately four appeals regarding the content of IDPs each year<sup>112</sup>. The cost to SENTW for an appeal about having a statement is estimated to be £2,269 (see table 41 above). It is estimated, therefore, the total additional cost to SENTW for four appeals about the content of an IDP would be approximately £9,100 a year.

8.254 In total, then, expanding the age range to include young people with complex needs who attend FEIs and independent specialist colleges could result in an additional ongoing cost to SENTW of £12,500 a year.

<sup>111</sup> Latest available data at time of writing. See: <https://statswales.gov.wales/Catalogue/Education-and-Skills/Post-16-Education-and-Training/Further-Education-and-Work-Based-Learning/Learners/Further-Education/uniquelearnersenrolledfurthereducationinstitutions-by-primarydisability-gender>

<sup>112</sup> 8,905 young people with LDD appealing at a rate of 0.1% would result in 8.68 appeals or 4.08 appeals about contents.



8.255 To what extent young people will appeal at the levels set out above, however, is unknown. On one hand, the risk could be minimal since young people entering FE will have been known to schools and/or local authorities for some time, so disagreements about having an IDP or about provision are only likely to arise in exceptional circumstances, such as where a young person has suddenly developed a serious health problem which has an impact on their education. On the other hand, there is evidence to suggest transition points can result in additional appeals<sup>113</sup>. Whilst moving from school to FE is likely to be a significant transition point for young people, with an increased risk of appeal, this will only hold true for young people within the first year of their studies. It unlikely young people within their second or third year of FE will appeal as frequently as those in their first year. Since it is not known how many of the young people with LDD will appeal against the content of their IDP, £6,300 is used which is the mid-point of the potential additional ongoing cost to SENTW of £12,500 a year.

### **Transition costs**

8.256 Existing tribunal members will need to undertake training to understand the new system. The cost of this is estimated to be approximately £35,100<sup>114</sup>. The costs are based on:

- one day training for legal members covering the additional legal considerations in dealing with young people up to the age of 25
- one day preparation for training by a tribunal chair
- two days training for all tribunal members
- one day follow-up training event approximately six months after the start of the new system to review how the system is working. This could potentially lead to an additional half day training to address any issues identified

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<sup>113</sup> Based on an analysis of appeals undertaken by SENTW at the transition from primary to secondary school. Of 240 appeals received in the three year period 2012 to 2015, it is estimated (based on child's age and details in case papers) that 45 appeals related to transition, equating to 19% of registered appeals. When the 240 cases were divided by 13 (years of school), this suggested 18 registered appeals by school year (7.5% of total cases). This indicates at periods of transition, the number of appeals (19%) more than doubles when compared to appeals per year generally.

<sup>114</sup> Source: SENTW

- two user group days - to provide information and deal with any concerns expressed by users regarding the new system.

8.257 To ensure tribunal members have the knowledge required to cover the extended age range, it is expected SENTW will require two additional members with knowledge of FE. The cost of recruitment and induction for two tribunal members is £25,300<sup>115</sup>.

8.258 In addition, the tribunal will need to amend existing documents, publications, forms and administrative processes including:

- tribunal procedural rules
- tribunal guidance, forms, website and DVD content
- practice directions
- members' handbook.

SENTW will incur transition costs which result from the human resources required to ensure all statutory requirements are accurately incorporated into tribunal publications, forms and processes. It is likely the work will be undertaken by an executive officer and will take approximately 15 months. The cost is estimated to be approximately £40,500<sup>116</sup>.

Table 49: estimated proportion of SENTW spend on appeals related to assessments and issuing of statements

	<b>Ongoing costs – option one 2016-17 prices</b>	<b>Transition costs 2017-18</b>	<b>Ongoing costs – option two 2016-17 prices</b>	<b>Ongoing cost difference</b>	<b>Ongoing cost difference including mid-range</b>
SENTW	152,000	100,900	108,900	-43,100	-21,600
<b>Total</b>	<b>152,000</b>	<b>100,900</b>	<b>108,900</b>	<b>-43,100</b>	<b>-21,600</b>

<sup>115</sup> Source: SENTW

<sup>116</sup> Based on the average EO salary of £32,400 including on costs.

## **Benefits**

- 8.259 SENTW currently incurs costs of approximately £43,100 per year on appeals related to not having a statement (see Table 41 above). The removal of the distinction between statutory and non-statutory plans – statements and individual education plans – removes the basis of appeals related to not having a statement.
- 8.260 Since SENTW will not hear appeals related to not having a statement, there is potential for SENTW to make savings of £43,100 per year. This is considered to be the maximum saving since SENTW will have some fixed costs, which will not reduce perfectly in line with reductions in the numbers of appeals.
- 8.261 Whilst all children and young people will have a statutory IDP under option two, differences will exist in terms of how IDPs are administered. IDPs will either be maintained by the local authority or by the school. There is, therefore, a risk the estimated cost savings will not be realised due to the potential for children, young people and parents to appeal against not having an local authority maintained IDP.
- 8.262 IDPs for the small number of children and young people with the most complex needs will be developed and maintained by local authorities, whilst schools will develop and maintain IDPs for children and children and young people with less complex needs. Children, young people and parents will be able to challenge local authority decisions not to develop and/or maintain an IDP. So, whilst option two will eliminate appeals on the basis of not having a statement, there is potential these will be replaced by appeals regarding local authority decisions not to develop and maintain an IDP.
- 8.263 It is not possible to determine the number of appeals which could be made regarding local authority decisions not to development or maintain an IDP. Thus, the range of cost savings is estimated to be £0-43,100. For illustrative purposes, the midpoint of £21,600 is used when calculating the overall costs and benefits of the Bill.

## **Risks**

- 8.264 There is a risk option two will result in additional challenges about the content of an IDP.
- 8.265 Extending statutory protection to all young people with ALN substantially increases the number of plans with statutory protection. Based on 2015-16 data, option two would increase the number of pupils with statutory plans from 13,318 pupils to 107,668 pupils. That is, under option two, there will be an additional 94,350 pupils with a statutory plan (see Table 2 above). It is expected the additional IDPs will be school-based, rather than local authority maintained.
- 8.266 There is not expected to be an increase in the number of appeals to SENTW about the content of statutory plans for young people, since the additional 94,350 IDPs will be school-based and school-based IDPs can not be referred directly to SENTW. Rather, it is expected disagreements will be resolved at the local level by parents approaching the school in the first instance.
- 8.267 Parents will be expected to raise concerns about school-based plans with the school. Where parents can not resolve the concerns they have about the school-based plan, they can raise their concern with the local authority. As such, there is a risk local authorities will have additional disagreements to address. This risk is, however, expected to be small since IDPs are developed using person centred practice (PCP), which has been found, compared to the existing system, to improve the experience of the process and to foster much greater trust and confidence in the process, particularly amongst parents and carers, who are engaged and play a central role in the decision making process (Holtom and Lloyd-Jones, 2014).
- 8.268 Where children, young people and parents are not satisfied with the outcome of the local authority disagreement process, it is at this point they can appeal to SENTW. This could include where, for example, the local authority has refused a request to maintain the IDP. This is not expected to result in an

increase in appeals since this is similar to the existing process. Where children, young people and parents are not, for example, satisfied the school can deliver the SEN provision the child or young person requires, they can request a statutory assessment from the local authority. Where the local authority decides not to assess or not to issue a statement, children, young people and parents can appeal to SENTW against this decision.

### **Further education institutions**

- 8.269 It is estimated option two could result in additional ongoing costs of £23,200 to FEIs.

### **Costs**

- 8.270 FEIs are currently involved in reviewing learning and skills plans and college-based plans for young people with profound and multiple learning difficulties and LLD. In addition, FEIs will currently have to respond to complaints they receive about the support they provide for young people with profound and multiple learning difficulties and LLD. As set out above, FEIs are estimated to incur costs of approximately £229,400<sup>117</sup> a year reviewing learning and skills plans and college-based plans and responding to any complaints about provision. FEIs are not expected to incur additional costs under option two in relation to maintaining IDPs.
- 8.271 Extending the right of appeal to young people in FE could, however, result in additional costs for FEIs. There is a risk FEIs may incur additional costs where young people with profound and multiple learning difficulties and LLD appeal about the content of their FEI maintained IDP. There are 120 young people with profound and multiple learning difficulties who attend FEIs. Based on the assumption 50% of the plans will be FEI-maintained, there would be 60

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<sup>117</sup> Made up of £226,600 for reviews (see Tables 40 and 45) and £800 for complaints (see Table 45).

plans. Based on the assumption young people with profound and multiple learning difficulties appeal about the content of their statement at the same rate as young people in school complain about the content of their statement, it is estimated there would be one appeal every four years<sup>118</sup>. Assuming the cost to FEIs of responding to appeals is the same as the cost to local authorities, the estimated cost of responding to appeals each year would be approximately £2,600<sup>119</sup>.

- 8.272 There is a risk the 8,905 young people with LDD could appeal to SENTW. If young people with LDD appeal to SENTW at the same rate as young people with SEN in school (0.1%), there could be approximately four appeals regarding the content of IDPs each year. Assuming FEIs incur the same costs as local authorities when responding to an appeal, it is estimated FEIs could incur an additional cost of £41,268<sup>120</sup> per year.
- 8.273 This risk is, however, considered to be low as it is expected disagreements about the contents of FEI maintained IDPs will be resolved locally.
- 8.274 In addition, prior to a young person entering FE, FEIs will not be obliged to accept responsibility from the local authority for maintaining an IDP where it would not be reasonable for the FEI to deliver the required ALP. In such cases, the local authority will continue to maintain the IDP.
- 8.275 Where a learner has commenced FE and the FEI thinks the learner has an ALN for which the FEI does not think it would be reasonable for the FEI to provide the necessary ALP, the FEI can refer the matter to the local authority for the local authority to determine the learners' needs and prepare the IDP.

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<sup>118</sup> In 2015-16 there were 13,318 young people with statements in schools and 105 appeals. That is 0.79% of young people with statements made appeals. An average of 47% of appeals are about the content of statements. 60 young people with profound and multiple learning difficulties appealing at a rate of 0.79% would result in one appeal every two years or one appeal about the contents of a statement every four years.

<sup>119</sup> The cost to local authorities of responding to an appeal is estimated to be £10,317. One quarter of this cost is £2,579.25.

<sup>120</sup> 4 appeals at a cost of £10,317/appeal is £41,268.

8.276 Where an FEI has accepted responsibility for an IDP but subsequently feels unable to maintain the IDP due to not being able to provide appropriate support for the young person, the FEI can request the local authority take over responsibility for maintaining the IDP.

8.277 Since the risk of appeals to SENTW from young people with LDD is considered to be low, FEIs could incur additional costs of between £0-41,268 per year. The mid-range of approximately £20,600 is used. There is potential, then, for FEIs to incur additional ongoing costs of £23,200 responding to appeals from young people with LDD (£20,600) and from young people with profound and multiple learning difficulties (£2,600).

### **Transition costs**

8.278 It is expected the FEI ALNCo will attend a two day training course about the new legislative requirements. In addition, the ALNCo will be expected to work with other agencies such as local authority officers and the DECLO in implementing the requirements of the legislation. The cost associated with the ALNCo are set out below in the section about the additional learning needs co-ordination.

### **Benefits**

8.279 FEIs could benefit from cost savings as a result of local authority maintained IDPs. Currently, FEIs maintain and review plans for the 120 young people with profound and multiple learning difficulties. Under the new scheme a proportion of these plans will be maintained by local authorities. Thus, local authorities rather than FEIs will be responsible for managing and organising the review process. This will have cost savings for FEIs. It has not, however, been possible to estimate the saving to FEIs. This saving is, therefore, unknown.

8.280 FEIs and young people are expected to benefit from the introduction of a single plan for young people with ALN. Having a single plan, which has followed a young person throughout their education, will provide a rich source of information about the young person together with evidence about what

support has worked well for the young person. By not having to start from scratch, the FEI will be able to allocate resources in the most efficient and effective way.

- 8.281 The young person will benefit from the transition process being part of, and not separate from, the ongoing IDP review process. Having a single plan should ensure planning is timely; is efficient for the young person since there will be no requirement to additional meetings or to repeat information previously given; and should ensure the support put in place is effective since it will be based on evidence of what works.
- 8.282 It has not been possible to monetise the benefits to FEIs or to young people and their parents.

### **Children, young people and parents**

- 8.283 Parents involved in disagreements or appeals incur considerable costs. As Table 51 below sets out it is estimated parents incur average costs of £3,678,600 per year pursuing disagreements and appeals. Overall, parents will not incur any additional costs as a result of option two. Rather, it is estimated parents will save an average of approximately £980,475 per year, with an overall saving of £832,375 per year when the additional costs of £148,100 are taken into account.

### **Costs**

- 8.284 As set out above, there is potential for an additional 32 disagreements about the content of plans as a result of extending IDPs to young people up to the age of 25 in FE. The average cost to parents of a disagreement is £3,775<sup>121</sup>. Thus, there is potential for parents to incur additional costs of approximately £120,800 a year.
- 8.285 Extending rights of appeals to young people with complex needs in FE up to the age of 25 is likely to result in three appeals every two years about the

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<sup>121</sup> Table 44 sets out the average cost as being £3,659 in 2013, which is £3,774.96 in 2067-17 prices.



content of IDPs. The average cost to a parent of pursuing an appeal is £7,787<sup>122</sup>. Thus an additional three appeals would be £23,359, with a yearly cost of approximately £11,700.

- 8.286 There is also potential for an additional four appeals a year about the contents of IDPs from young people with less complex needs who attend FE. The average estimated cost to parents to pursue these appeals would be approximately £31,100. The extent of this risk is not known since it is expected disagreements will be resolved at the local level. Thus, parents could experience costs of between £0-31,100. The mid-range cost of £15,600 is used.

In total then, parents could incur additional costs of approximately £148,100 a year.

Table 50: comparison of cost to parents of extending IDPs to include young people in FE up to age 25

	Option one cases per year	Option one cost per year (£)	Option two cases per year	Option two cost per year (£)	Additional cost (£)	Additional cost including mid-range (£)
Disagreements	0	0	32	120,800	120,800	120,800
Appeals - profound and multiple learning difficulties	0	0	1.5	11,700	11,700	11,700
Appeals - LDD	0	0	4	31,100	31,100	15,600
<b>Total</b>				<b>163,600</b>	<b>163,600</b>	<b>148,100</b>

## Benefits

- 8.287 Children, young people and parents will benefit in a number of ways from the introduction of option two.
- 8.288 Children, young people and parents should benefit from having a less complex system. The current statementing process can take up to 26 weeks

<sup>122</sup> Table 44 sets out the average cost as being £7547 in 2013, which is £7,786.19 in 2067-17 prices.

to complete, which militates against early intervention and creates delays in getting young people the support they need. This can have negative impacts on outcomes.

- 8.289 Option two proposes a more flexible approach to assessment and review, which will reduce the length of time it takes to make decisions and arrange provision. This has potential to have positive impacts on the outcomes for young people. This could include, for example, reducing the rate at which young people with ALN are excluded from school since decisions can be taken quickly to get support in place for young people who are at risk of being excluded due to behavioural issues. Having a less complex system should reduce existing parental confusion, anxiety and frustration.
- 8.290 Parents are currently paying significant sums of money to pursue disagreements with local authorities regarding decisions not to issue a statement<sup>123</sup>. As set out in table 51 below, It is estimated parents currently spend an estimated average of £2,861,050 a year resolving disagreements and an estimated average of £817,550 a year making appeals to SENTW.
- 8.291 Under option two, the removal of the distinction between statutory and non-statutory plans will remove disagreements and appeals about decisions relating to not having a statutory plan.
- 8.292 Parents will benefit from a reduction in costs associated with challenging decisions. It is estimated parents may benefit from an average estimated saving of £980,475 a year of which £758,575 is expected to be saved from disagreements and £221,900 from appeals.
- 8.293 Overall, when the potential additional costs of approximately £148,100 a year from extending the age range are factored into the potential savings of £980,475, parents are expected to save approximately £832,375 a year.

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<sup>123</sup> <http://www.mertonmencap.org.uk/pdfs/SEND-Tribunal-Survey-Results-August2013.pdf>

Table 51: comparison of ongoing costs to parents and to disagreement resolution service providers, 2016-17 prices

	Option one cases per year	Option one cost per year (£)	Option two cases per year	Option two cost per year (£)	Option two – benefit (£)	Option two – benefit including mid-range (£)
<b>Parents</b>						
Disagreement - without support from local authority funded dispute resolution services	758	3,628,900	356	1,704,600	-1,924,300	-962,150
Disagreement - with support from local authority funded dispute resolution services	758	2,093,200	356	983,200	-1,110,000	-555,000
<b>Average</b>		<b>2,861,050</b>		<b>1,343,900</b>	<b>-1,517,150</b>	<b>-758,575</b>
<b>Average including mid-range</b>		<b>2,861,050</b>		<b>2,102,475</b>	<b>-758,575</b>	<b>-1,532,600</b>
<b>Option one:</b> appeals – without support from local authority funded dispute resolution services	105	1,036,900	48	474,000	-562,900	-281,500
<b>Option one:</b> appeals – with support from local authority funded dispute resolution services	105	598,200	48	273,500	-324,700	-162,400
<b>Average</b>		<b>817,550</b>		<b>373,750</b>	<b>-443,800</b>	<b>-221,900</b>
<b>Average including mid-range</b>		<b>817,550</b>		<b>595,650</b>	<b>-221,900</b>	<b>-221,900</b>
<b>Total average</b>		<b>3,678,600</b>		<b>1,717,650</b>	<b>-1,960,950</b>	<b>-980,475</b>
<b>Total average including mid-range</b>		<b>3,678,600</b>		<b>2,698,125</b>	<b>-980,475</b>	<b>-980,475</b>
<b>Disagreements</b>		<b>0</b>	<b>32</b>	<b>120,800</b>	<b>120,800</b>	<b>120,800</b>
<b>Appeals - profound and multiple learning difficulties</b>		<b>0</b>	<b>2</b>	<b>11,700</b>	<b>11,700</b>	<b>11,700</b>
<b>Appeals - LDD</b>		<b>0</b>	<b>4</b>	<b>31,100</b>	<b>31,100</b>	<b>15,600</b>
<b>Total additional cost</b>		<b>0</b>		<b>163,600</b>	<b>163,600</b>	<b>148,100</b>
<b>Total average</b>		<b>3,678,600</b>		<b>1,881,250</b>	<b>-1,797,350</b>	<b>-832,375</b>

<b>Total average including mid-range</b>		<b>3,678,600</b>		<b>2,846,225</b>	<b>832,375</b>	<b>-964,975</b>
<b>Service providers</b>						
<b>Disagreements</b>	758	<b>288,710</b>	<b>356</b>	<b>135,690</b>	<b>-153,020</b>	<b>-76,510</b>
<b>Appeals</b>		<b>31,800</b>		<b>14,600</b>	<b>-12,000</b>	<b>-6,000</b>
<b>Disagreements – extending age to 25</b>		<b>0</b>		<b>5,300</b>	<b>2,650</b>	<b>2,650</b>
<b>Appeals – extending age to 25</b>		<b>0</b>		<b>23,200</b>	<b>11,600</b>	<b>11,600</b>
<b>Total provider</b>		<b>320,510</b>		<b>178,790</b>	<b>-150,770</b>	<b>-68,260</b>

## Risks

- 8.294 Under option two, school-based plans will become statutory plans. There is a risk this will increase expectations unrealistically and consequently, there will be an increase in disagreements and the associated costs. It has not been possible to estimate this cost and, thus, the cost is unknown.
- 8.295 This risk is, however, expected to be small since IDPs are developed using person centred practice (PCP), which has been found, compared to the existing system, to improve the experience of the process and to foster much greater trust and confidence in the process, particularly amongst parents and carers, who are engaged and play a central role in the decision making process (Holtom and Lloyd-Jones, 2014).

## Dispute resolution

- 8.296 As set out above, the financial data collected by Deloitte refers to 2011-12 to 2013-14. These figures have been used within this section about dispute resolution, where it is the most up-to-date information available. The 2013-14 prices have also been set out in present day (2016-17) prices using the GDP deflator series. In addition, for comparative purposes, all costs have been set out in 2016-17 prices.

### **Option one: do nothing**

- 8.297 Under option one, the existing approach to dispute resolution would remain.
- 8.298 Currently, local authorities are required to put in place arrangements for avoiding or resolving disputes in relation to decisions made about statements of SEN. More generally, local authorities are required to make arrangements for avoiding or resolving disputes about special education provision between schools and children, their parents and young people.
- 8.299 Person centred planning (PCP) is currently being introduced across Wales. In a recent evaluation of PCP in Wales, Holtom and Jones (2014) concluded although it was too early to judge whether a reduction in the level and frequency of disagreements would happen, there was evidence PCP and the IDP process had a positive impact on families' experience of the system. School staff, in particular, felt the more collaborative and informal process offers the potential to build parent and carer trust and confidence, reducing the level and frequency of disputes and disagreements.
- 8.300 The costs of doing nothing as set out below could, therefore, be over-estimated.

## Summary of costs

Table 52: option one summary of costs to resolve disputes

	2016-17 <sup>124</sup> (£)
Local authority dispute resolution services - disagreements	384,950
Local authority – response to disagreements	1,633,100
Local authority dispute resolution services - appeals	5,300
Local authority – response to appeals <sup>125</sup>	1,083,300
<b>Local authority total</b>	<b>3,106,650</b>
SENTW <sup>126</sup>	152,000
<b>SEWTW total</b>	<b>152,000</b>
<b>Public administration total</b>	<b>3,258,650</b>
Dispute resolution service providers – disagreements <sup>127</sup>	288,710
Dispute resolution service providers – appeals <sup>128</sup>	31,800
<b>Dispute resolution service providers – total</b>	<b>320,510</b>
Parents – disagreements <sup>129</sup>	2,861,050
Parents – appeals <sup>130</sup>	817,550
<b>Parents total</b>	<b>3,678,600</b>
<b>Total</b>	<b>7,257,760</b>

8.301 Table 52 above, provides a summary of the costs associated with dispute resolution as set out in Table 6. The cost associated with dispute resolution are not set out separately in Table 69 and Table 70 as they are included in costs associated with individual development plans. As Table 52 shows the total estimated cost relating to disputes and their resolution are approximately £7,257,760 per year.

<sup>124</sup> 2013-14 price adjusted to 2016-17 prices using the GDP deflator series.

<sup>125</sup> See Table 19

<sup>126</sup> See paragraphs 8.144-8.149. The costs to SENTW set out in this section refer to cost incurred from hearing related costs including the president, members add hearing venue costs. In addition, reimbursement of expenses and training for members are included. The costs do not include administrative costs.

<sup>127</sup> See Table 43

<sup>128</sup> See Table 19

<sup>129</sup> See Table 44

<sup>130</sup> See Table 15

- 8.302 Local authorities are estimated to spend £3,106,650 per year on disagreements and appeals. This is made up of £2,018,050 cost incurred from dealing with disagreements (£384,950 providing dispute resolution services and £1,633,100 incurred as a result of responding to dispute). The remaining £1,088,600 is incurred from dealing with appeals (£5,300 from providing access to disagreement resolution services and £1,083,300 from responding to appeals)<sup>131</sup>. Providers are estimated to incur costs of £320,510 subsidising dispute resolution services (£288,710 incurred as a result of disagreements and £31,800 as a result of appeals).
- 8.303 SENTW, which hears appeals against certain decisions about statements of SEN made by local authorities, is estimated to incur costs of approximately £152,000 per year.
- 8.304 Parents also incur costs as a result of disagreements or appeals about decisions made regarding special educational provision. The estimated annual cost to parents is approximately £3,678,600 (2,861,050 of which results from disagreements and £817,550 from appeals).

### **Benefits**

- 8.305 There are no additional costs associated with option one.

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<sup>131</sup> See also section on plans to support children and young people with additional learning needs, option one.

## **Option two: widen the scope of dispute resolution arrangements**

- 8.306 Option two differs to option one in two ways. First, the scope of arrangements will be widened to include all young people with additional learning needs, including those in further education up to the age of 25.
- 8.307 Second, local authorities will be required to put in place arrangements for avoiding *and* resolving disagreements. Currently, local authorities are required to put in arrangements for avoiding *or* resolving disputes.
- 8.308 Overall, option two is not expected to result in any additional ongoing costs for local authorities, SENTW service providers or to parents. Rather, it is expected there will be an overall saving of £920,840, with an estimated saving of £156,690 to public administration and an estimated saving of £765,600 to parents (see Table 54 below). Since more evidence is required to determine if the potential savings will be realised, the savings have not been included in the summary tables 69 and 70. Rather, it has been assumed the costs will remain the same as option one. It has not been possible to estimate the potential savings to providers of dispute resolution services with any accuracy and these savings are, therefore, unknown.
- 8.309 Option two is the preferred option.

## **Costs**

### **Local authorities**

#### **Disagreement resolution services**

- 8.310 There is potential for local authorities to incur some additional costs as a result of widening the scope of disagreement resolution services to include young people up to the age of 25 who are in FE.
- 8.311 Assuming the proportion of young people in FE disagree with decisions made by local authorities is the same as the proportion of young people who disagree with local authority decisions about the content of their statement,



there is potential for an additional cost to local authorities of approximately £760 a year and an additional cost of £570 to providers of dispute resolution services (see Table 54).

- 8.312 As set out in the section about plans to support young people with ALN, local authorities fund services to resolve an average of 356 disagreements a year about the content of statements. In 2015-16 there were 13,318 young people in Wales with a statement. That is, 2.7% of young people with a statement disagreed with the content of the statement.
- 8.313 There are 120 young people under the age of 25 in further education who have profound and multiple learning difficulties<sup>132</sup>. Assuming 50% of young people in FE will have a local authority IDP and 2.7% of them disagree with the contents of their IDP, there would be an additional three disagreements every two years supported by local authority dispute resolution services. The average cost of a disagreement, where appeal to tribunal is avoided is £889<sup>133</sup>. Thus, the additional cost of resolving disagreements about the content of plans is estimated to be approximately £1,330 per year. Of this, £760 is incurred by local authorities and £570 by providers of dispute resolution services (see Table 54).
- 8.314 There is also a risk, as set out in the section on plans to support young people with ALN, extending the right of appeal to SENTW to include young people in FE up to the age of 25 could result in additional appeals to SENTW. Assuming the percentage of young people in FE who appeal against the content of their plan is the same as young people in school who complain about the content of their plan, it is expected one young person with profound and multiple learning difficulties in FE will appeal to SENTW about the content of their plan

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<sup>132</sup> Latest available data at time of writing. See: <https://statswales.gov.wales/Catalogue/Education-and-Skills/Post-16-Education-and-Training/Further-Education-and-Work-Based-Learning/Learners/Further-Education/uniquelearnersenrolledfurthereducationinstitutions-by-primarydisability-gender>

In addition, there are 8,940 young people under the age of 25 who are in FE. The percentage of young people with LDD who would have local authority maintained plans is unknown, since the severity of the LDD is unknown.

<sup>133</sup> 2016-17 prices.

every four years<sup>134</sup>. The average cost to local authorities for providing disagreement resolution services to support young people and parents to appeal to SENTW is approximately £4,125<sup>135</sup>. The additional cost for dispute resolution services is, therefore, estimated to be approximately £1,030 a year with local authorities incurring a cost of approximately £150 per year and providers of dispute resolution services incurring a cost of approximately £880 (see Table 54).

### **Avoiding disagreements**

- 8.315 It is expected arrangements designed to avoid disagreements will result in a cost saving to local authorities.
- 8.316 It is not possible to determine the actual cost to local authorities of putting in place practices to avoid disagreements, since the practices are not prescribed in the Bill<sup>136</sup>.
- 8.317 It is, however, possible to present an illustrative example by referring to the practices put in place by Carmarthenshire County Council. Since 2012-13, Carmarthenshire County Council has employed an ALN family support worker who provides information and support to children, young people and parents going through the statement process. The aim of the role is to improve communication with families, by explaining the statement process and decisions, in an effort to reduce conflict and disagreement<sup>137</sup>.
- 8.318 The yearly cost for the family support worker is approximately £43,600 (including on costs)<sup>138</sup>. In addition to staff costs, there is an estimated cost of

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<sup>134</sup> 120 young people with profound and multiple learning difficulties appealing at a rate of 0.46% would result in 0.56 appeals each year or 0.26 appeals about contents.

<sup>136</sup> It is expected the new additional learning needs code will set out the purpose and principles underpinning practices to avoid disagreements. The code is not expected to be explicit about the practices local authorities should put in place.

<sup>137</sup> <http://gov.wales/docs/caecd/research/2014/140626-pilot-young-peoples-rights-appeal-claim-sen-tribunal-en.pdf>

<sup>138</sup> Consists of £32,524 salary per year plus on costs in 2013-14 price. This equates to £43,641 in 2016-17 prices.

£1,100 per year for travelling costs<sup>139</sup>. If all local authorities in Wales were to adopt the same approach, the estimated additional cost would be approximately £915,600 in staff costs and £23,100<sup>140</sup> in travel costs. That is, the estimated total additional cost would be £938,700 a year.

- 8.319 In 2015-16, Carmarthenshire had the fourth largest SEN pupil population in Wales<sup>141</sup>. Thus, this estimate would be at the higher end, since some local authorities would not necessarily need to employ a family support worker on a full-time basis.
- 8.320 Whilst the introduction of approaches to avoid disagreements will have a cost, the benefits are expected to be greater than the cost.
- 8.321 Data about the number of appeals in Carmarthenshire, whilst not conclusive, suggest the role is having an impact on reducing the number of appeals made to SENTW.
- 8.322 Prior to the introduction of the family support worker, Carmarthenshire had an average of approximately 10 appeals per year<sup>142</sup> (see Table 53 and Figure 1 below). Following the introduction of the family support worker, an average of 1.5 appeals per year have been made in Carmarthenshire<sup>143</sup>. That is, there has been a reduction of approximately 8.5 appeals per year to SENTW in Carmarthenshire.
- 8.323 There is a risk this reduction is an over estimation since there was a spike in the number of cases over the four year period 2007-08 to 2010-11 when a

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<sup>139</sup> Consists of cost of petrol. Based on Carmarthenshire grant claim of £527 for a 6 months period October 2012 to March 2013.

<sup>140</sup> Since Carmarthen already employ an ALN learning support worker, the additional cost estimate is based on the remaining 21 local authorities.

<sup>141</sup> <https://stats.wales.gov.wales/Catalogue/Education-and-Skills/Schools-and-Teachers/Schools-Census/Pupil-Level-Annual-School-Census/Special-Educational-Needs/pupilssen-by-localauthorityregion-provision>

<sup>142</sup> During the ten year period 2002-03 to 2011-12, there were 98 appeals made in Carmarthenshire. See Table 53.

<sup>143</sup> During the four year period 2012-13 to 2015-16, Carmarthenshire had a total of six appeals – two in 2012-13, none in 2014-15, one in 2014-15 and three in 2015-16. See Table 53.

total of 62 appeals were made<sup>144</sup>, an average of 15.5 appeals to SENTW per year. When the years 2007-08 to 2010-11 are removed, there an average six appeals per year, suggesting a reduction of 4.5 appeals per year<sup>145</sup>.

8.324 It is estimated Carmarthenshire County Council incurs average costs of £10,917 per appeal to SENTW, of which approximately £600 is for local authority funded dispute resolution services<sup>146</sup> and £10,317<sup>147</sup> is for local authority defence costs. Thus, it is estimated Carmarthenshire County Council has reduced the costs of appeals by an average of approximately £49,100 per year. The net saving, once the cost of the family support worker is removed, is approximately £4,400. If this saving was replicated across Wales, local authorities would save an estimated £96,800. In addition, providers of dispute resolution services are estimated to subsidise each case supported to SENTW by £3,525. Since providers only support an estimated 9% of cases (an average of approximately 9 cases of the average 95 appeal cases), it is difficult to estimate with any accuracy the potential savings to service providers. The potential savings is not, therefore, known.

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<sup>144</sup> This spike coincided with the ALN reform pilots and parental awareness of statements being replaced by IDPs.

<sup>145</sup> When calculating the potential reductions in appeals which could be achieved from introducing practices to avoid disagreements, this has been done in isolation from other proposals which aim to reduce conflict in the current system. Thus, the reduction in the number of appeals has not been adjusted to take account of the proposed changes to remove the distinction between statutory and non-statutory plans. That is, appeals relating to not having a statement have not been removed. If both the provision to remove the distinction between statutory and non-statutory plans and ALN support workers are introduced across Wales, the number of appeals avoided as a result of introducing the ALN family support workers is likely to be less than the estimated reduction of 4.5 a year, since some of these will have been avoided by removing the distinction between statutory and non-statutory plans. This does not impact on the overall estimated costs and benefits of introducing the provisions in the Bill since the potential savings from introducing ALN family support workers are set out for illustrative purposes only and not included in the tables summarising the total costs and benefits of the provisions in the Bill.

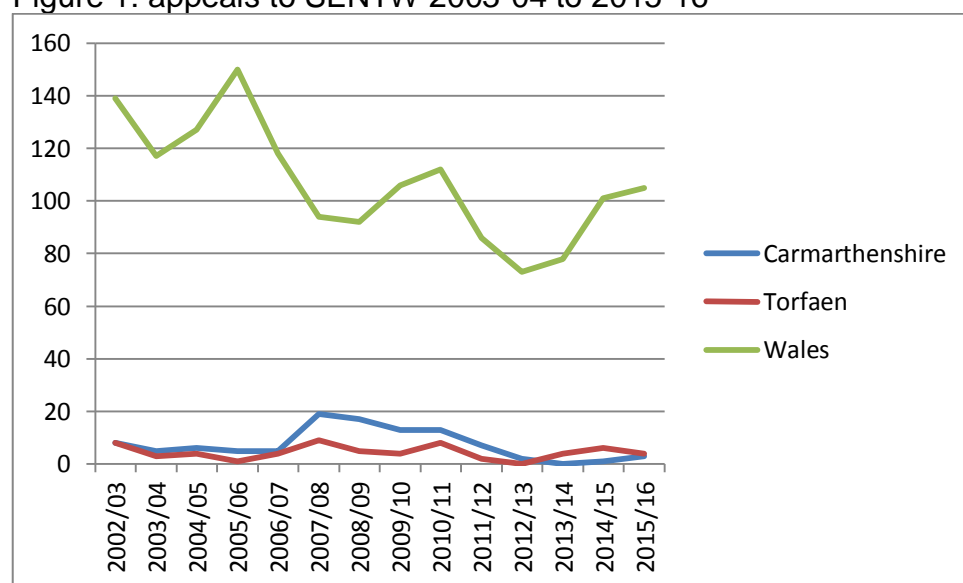
<sup>146</sup> Source: SNAP Cymru. Based on the average cost October 2014-April 2016.

<sup>147</sup> 10,000 uprated to 2016-17 prices.

Table 53: appeals to SENTW in Carmarthenshire and Torfaen

	Registered appeals - Carmarthenshire	Registered appeals - Torfaen	Registered appeals - Wales
2002/03	8	8	139
2003/04	5	3	117
2004/05	6	4	127
2005/06	5	1	150
2006/07	5	4	118
2007/08	19	9	94
2008/09	17	5	92
2009/10	13	4	106
2010/11	13	8	112
2011/12	7	2	86
2012/13	2	0	73
2013/14	0	4	78
2014/15	1	6	101
2015/16	3	4	105

Figure 1: appeals to SENTW 2003-04 to 2015-16



8.325 Research has not been undertaken to determine a causal relationship between the introduction of the family support worker and the reduction in the number of appeals to SENTW in Carmarthenshire. It is possible, however, to consider the impact of the family support worker by comparing trends across Wales.

8.326 Comparing the period 2002-03 to 2006-07 against the period 2012-13 to 2015-16, Carmarthenshire has seen an average decrease of 4.5 appeals per

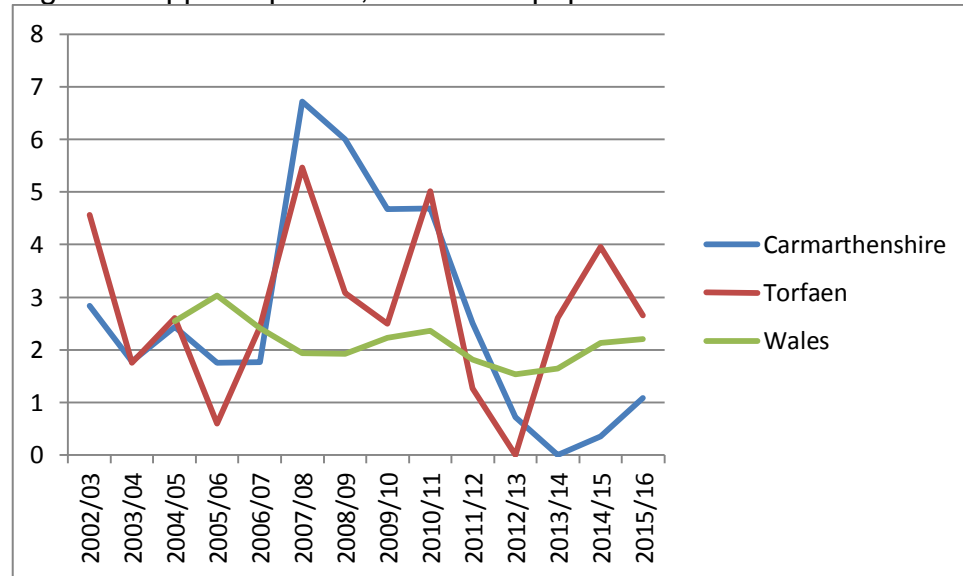
year compared to Wales as a whole, which has seen a decrease of approximately two appeals per year. Thus, whilst there has been a fall in the number of appeals across Wales generally, the fall has been considerably greater in Carmarthenshire.

- 8.327 It is also possible to compare the period 2002-03 to 2006-07 against the period 2012-13 to 2015-16, in terms of the number of appeals as a proportion of the school population (see Figure 2 below). During the period 2002-03 to 2006-07 Carmarthenshire had an average of two appeals per 10,000 school population compared to 0.5 appeals per 10,000 school population during the period 2012-13 to 2015-16. That is, Carmarthenshire had a reduction of 1.5 appeals per 10,000 school population. This compares to a reduction of one appeal per 10,000 across Wales.
- 8.328 It is possible the reduction in the number of appeals in Carmarthenshire could be the result of the introduction of PCP as part of the ALN pilot, rather than the introduction of the support worker. To consider this, it is possible to compare the reduction in appeals in Carmarthenshire with any reduction in appeals in Torfaen, which was also involved in the ALN pilot<sup>148</sup> and introduced PCP but not the family support worker role.
- 8.329 Comparing the period 2002-03 to 2006-07 against the period 2012-13 to 2014-15, Torfaen had an average decrease of 0.5 appeals per year compared to Carmarthenshire, which had an average decrease of 4.5 appeals per year.

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<sup>148</sup> Carmarthenshire and Torfaen made up pilot B, which was established to develop and pilot an inter-disciplinary model for the identification, assessment, planning and review of provision for children and young people with severe and/or complex needs. The developmental phase took place between 2009 and 2011, followed by the piloting during 2012. Thus, PCP for young people with complex and/or severe needs would have been implemented by 2012-13 in Carmarthenshire when the family support worker role was introduced. Torfaen works as a comparator since PCP was introduced at the same time but the support worker role was not introduced.

Figure 2: appeals per 10,000 school population 2003-04 to 2015-16



8.330 A similar finding arises when comparing the number of appeals per 10,000 school population in Carmarthenshire and Torfaen. As set out above, Carmarthenshire saw a reduction of 1.5 appeals between the period 2002-03 to 2006-07 and 2012-13 to 2014-15. During the same period, there was no reduction in appeals per 10,000 school population in Torfaen. Thus, it can be inferred the role of support worker, rather than PCP, has had an impact on reducing the number of appeals in Carmarthenshire.

8.331 Although research is required to substantiate this finding, is not surprising since the support worker role was introduced to focus on the statement process, whereas PCP is designed to work across all young people with ALN as a way of engaging children, parents and young people in the decision making process. It would, therefore, be expected the family supporter worker would impact more on disagreements at appeal level and that PCP will have more impact on avoiding disagreements more generally.

8.332 In addition to avoiding appeals, it is expected local authorities will also avoid disagreements. It is not known what proportion of disagreements will be avoided once disagreement avoidance approaches have been put in place. Thus, it has not been possible to monetise the potential cost benefits of implementing such approaches. This saving is, therefore, unknown.

## Benefits

- 8.333 As set out in Table 54 below, option two has potential to reduce costs to local authorities and SENTW by an estimated £156,690 a year.

Table 54: summary of estimated potential costs and benefits to local authorities

	Savings and costs (£)
local authority disagreement resolution services – disagreements (increase in age up to 25)	760
local authority disagreement resolution services - appeals (increase in age up to 25)	150
Net savings of ALN family support worker on appeals across Wales	-96,800
<b>Total</b>	<b>-95,890</b>
SENTW	-60,800
<b>SENTW Total</b>	<b>-60,800</b>
<b>Public administration total</b>	<b>-156,690</b>
Dispute resolution service providers – disagreements (increase in age up to 25)	570
Dispute resolution service providers – appeals (increase in age up to 25)	880
<b>Dispute resolution service provider total</b>	<b>1,450</b>
Parents	-765,600
<b>Parents total</b>	<b>-765,600</b>
<b>Total Savings</b>	<b>-920,840</b>

- 8.334 There is potential for parents to save an estimated £765,600, should the reduction in appeals achieved in Carmarthenshire be replicated across Wales (see paragraph 8.345 below). In addition, it is expected providers of dispute resolution services will see an overall reduction in costs since the number of disagreements and disputes supported to SENTW would be expected to fall. Since providers currently only support around 9% of such cases (an average of approximately 9 cases of the average 95 appeal cases), it is difficult to estimate with any accuracy the potential savings to service providers. The potential saving is not, therefore, known.



## **Local authorities**

- 8.335 Local authorities will incur some ongoing costs as a result of providing disagreement resolution services and disagreement resolution services to young people up to the age of 25. This is estimated to be approximately £910 per year. In addition, providers of dispute resolution services are expected to incur costs of £1,450 as a result of subsidising dispute resolution services for young people up to the age of 25.
- 8.336 This cost should be off-set by potential savings from option two. As set out above, there is encouraging evidence from Carmarthenshire County Council which suggests the introduction of approaches to avoid disagreements has potential to result in local authorities saving £96,800 per year.
- 8.337 Since it is not known what approaches local authorities will adopt, it is not possible to state with any certainty these savings will be realised. It is, however, assumed local authorities and providers will benefit at least to the extent there will be no net costs incurred when introducing approaches to avoid disagreements.

## **SENTW**

### **Costs**

- 8.338 SENTW will not incur any additional ongoing costs as a result of implementing option two.

### **Benefits**

- 8.339 Since it is not known what approaches local authorities will adopt when implementing disagreement avoidance practices, it is not possible to determine with accuracy the potential benefits to SENTW.
- 8.340 It is, however, possible to illustrate the potential savings to SENTW based on the estimated average reduction in appeals to SENTW since the family support worker was appointed in Carmarthenshire County Council.

- 8.341 Between 2012-13 and 2015-16, SENTW incurred an average cost of £1,600 per appeal. The reduction of an average of 4.5 cases per year in Carmarthenshire would have resulted in SENTW saving an estimated £7,200 per year between 2012-13 and 2015-16 – a total estimated saving of £28,800.
- 8.342 If this reduction in the number of appeals is replicated across Wales, there could be a 42% reduction in the number of appeals to SENTW. The reduction in appeals in Carmarthenshire from 6 to 1.5 between 2002-03 to 2006-07 and 2012-13 and 2015-16 represents a 75% decrease. The reduction across Wales during this period was 32%. Thus, the difference is a reduction of 43%. There is potential, therefore, if the reduction was replicated across Wales, for there to be a decrease in the number of average appeals from 89 per year to 51 per year - 38 fewer cases per year. Based on an average cost of £1,600 per appeal, there is potential for SENTW to save £60,800 per year.
- 8.343 Further research is required to determine if there is a casual relationship between the introduction of the support worker and the drop in appeals observed in Carmarthenshire. In addition, it is not known whether all local authorities will adopt the same practice as Carmarthenshire to implement option two. As a result, it is not possible to estimate with any accuracy any potential cost savings to SENTW as a result of option two. Thus, the savings set out in Table 54 are an illustration of potential savings. These savings have not, however, been included in Table 69 and Table 70 which set out the overall costs and savings of the preferred options.

### **Children, young people and parents**

- 8.344 Children and young people will benefit where disagreements are avoided and they are not distracted from their studies by uncertainty.
- 8.345 Parents currently incur estimated average costs of £7,738<sup>149</sup> when making an appeal to SENTW. A reduction of 4.5 appeals per year in would, therefore, have resulted in a saving to parents in Carmarthenshire of approximately

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<sup>149</sup> Based on 2013-14 cost of £7,500, uprated to 2016-17 prices.

£34,800 per year. If this was replicated across Wales, the savings to parents would be approximately £765,600.

8.346 In addition, parents currently incur average costs of £3,817<sup>150</sup> when disagreeing with decisions made by local authorities. Since the proportion of disagreements which will be avoided under option two is not known, it is not possible to determine the cost benefits for parents.

8.347 Due to the uncertainty about whether the reduction in appeals resulting from the introduction of the ALN family support workers, the potential savings to parents are for illustrative purposes and are not included in Table 69 and Table 70, which sets out the summary of costs and savings associated with the preferred options.

## **Risks**

8.348 Having a clear requirement to have both avoidance and resolution arrangements has potential to increase the costs of such arrangements. This could arise, for example, where avoidance and resolution arrangements are not effectively implemented and, as a result, there will be an increase in costs rather than the expected cost savings. To support the effective implementation of disagreement avoidance and resolution arrangements, the Welsh Government will encourage good practice to be shared across local authorities. In addition, findings and recommendations from implementation monitoring and evaluation will be shared with local authorities to encourage effective implementation.

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<sup>150</sup> Based on 2013-14 cost of £3,700 uprated to 2016-17 prices.

## Responsibility for securing and funding specialist further education provision

- 8.349 As set out above, the financial data collected by Deloitte refers to 2011-12 to 2013-14. These figures have been used within this section on securing and funding further education provision, where it is the most up-to-date information available. The 2013-14 prices have also been set out in present day (2016-17) prices using the GDP deflator series. In addition, for comparative purposes, all costs have been set out in 2016-17 prices.

### **Option one: do nothing**

- 8.350 Under option one, existing responsibilities for securing and funding specialist post-16 education would remain.
- 8.351 There are no additional cost implications associated with option one.

## **Costs**

### **Careers Wales**

- 8.352 Consideration of funding specialist placements for young people with LDD starts with the conduct of an assessment under section 140 of the 2000 Act. Section 140 (s140) assessments, which lead to the development of a Learning and Skills Plan for the young person, are carried out on behalf of Welsh Ministers by Careers Wales.
- 8.353 As Table 55 below shows, in 2013-14 Careers Wales undertook 1,103 s140 assessments at a cost of £343,800<sup>151</sup> and completed 119 applications for funding at an independent special college at a cost of £129,800 (see also Table 38 above). Assuming this level of activity continues in future years, the

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<sup>151</sup> This cost has not been included in the summary tables as it has been included in the section on plans to support young people with ALN.

cost for undertaking s140 assessment and applications is estimated to total £488,600 per year (in 2016-17 prices)<sup>152</sup>.

Table 55: cost to Careers Wales of funding applications

	2013-14	Ongoing annual cost
Number of applications for funding at an independent specialist college	119	-
Estimated spend on completing funding applications (£)	129,800	133,900
<b>Total spend (£)</b>	<b>129,800</b>	<b>133,900</b>

## Welsh Government

8.354 In 2015-16, the Welsh Government incurred costs of £12,054,251 funding independent specialist college placements for young people with LDD. The estimated cost to the Welsh Government in 2016-17 prices is £12,244,983 (see Table 56 below).

8.355 In addition, the Welsh Government incurred salary costs of £195,720<sup>153</sup> for officials assessing post-16 funding applications<sup>154</sup>. The total estimated cost to the Welsh Government in 2016-17 prices is, therefore, £12,440,703.

## Local health boards

8.356 Table 56 below shows the estimated ongoing costs of £903,893 to local health boards for funding independent specialist college placements. This cost is not expected to change under option two.

<sup>152</sup> 2013-14 price adjusted to 2016-17 prices using the GDP deflator series. Based on the same number of applications being undertaken in 2016-17 as 2013-14.

<sup>153</sup> 2016-17 mid range salary costs, including on costs. Executive officer £32,424; higher executive officers £43,200 and senior executive £55,248.

<sup>154</sup> The post-16 funding application team consists of one senior executive officer, one higher executive officer and three executive officers. The mid-point on the salary scale has been used for each position other than for executive officers, where an average across the salary scales has been used. On-cost of 30% have been added to the salaries.

Table 56: annual cost of independent specialist college placements by funding body

	2015/16	Ongoing annual cost <sup>155</sup>
Number of learners	298 <sup>156</sup>	-
Total cost of placements (£)	18,577,467	18,871,415
Welsh Government (£)	12,054,251	12,244,983
Local authority social services (£)	5,633,402	5,722,538
Local Health Boards (£)	889,813	903,893
Average cost of placements (£)	62,264	63,249
Range of cost – low (£)	7,136	7,249
Range of cost – high (£)	196,333	199,440

### Local authority social services

8.357 Table 56 above shows the estimated ongoing costs of £5,722,538 to social services for funding independent specialist college placements. These costs are not expected to change under option two.

### Estyn

8.358 Up until September 2016, there were six independent specialist colleges located in Wales, which Estyn inspected and monitored within a six year inspection cycle, with monitoring generally taking place yearly, other than the year of inspection<sup>157</sup>. As part of the inspections and monitoring visits, inspectors evaluate:

- the quality of the education and training
- the standards achieved by those receiving that education and training; and
- whether the financial resources made available to those providing it are managed efficiently and used so as to provide value for money.

<sup>155</sup> 2015-16 price adjusted to 2016-17 prices using the GDP deflator series. Assumes same number of learners with similar needs to 2015-16.

<sup>156</sup> Total learners in ISCs at various stages of study.

<sup>157</sup> From September 2016, a seven year inspection cycle was introduced. In addition, a seventh independent specialist college was opened in Wales in September 2016. For further information about the inspection of ISCs see: <https://www.estyn.gov.wales/document/guidance-inspection-independent-specialist-colleges>

- 8.359 Estyn spends an average of 16.5 days inspecting an independent college at a cost of approximately £14,500. It is estimated the monitoring process takes 6.5 days at a cost of approximately £5,700 per independent specialist college.
- 8.360 All independent specialist colleges are inspected within a six year inspection cycle, thus there would be an average of one independent specialist college inspection per year. The estimated annual cost for inspecting independent specialist colleges is, therefore, £14,500. In addition, Estyn would monitor six independent specialist colleges per year at an annual cost of approximately £34,200.
- 8.361 The total annual average cost of inspecting and monitoring the six independent specialist colleges in Wales is currently estimated to be approximately £48,700.

Table 57: annual cost to Estyn of independent specialist college inspection and monitoring visits

	Cost per year (£)
Inspection	14,500
Monitoring	34,200
<b>Total</b>	<b>48,700</b>

- 8.362 Table 58 below provides a summary of current costs by activity and agency. The total cost of the current system is estimated to be £19,249,734 per year. This consists of costs of £19,201,034 incurred as a result of securing provision and £48,700 incurred as a result of monitoring and inspecting independent specialist colleges. This represents the best estimate of the ongoing annual cost in the do nothing option.

Table 58: summary of annual cost of securing and inspecting specialist provision

	<b>Securing provision</b>	<b>independent specialist college Inspection and monitoring</b>
Welsh Government (administration)	195,720	-
Welsh Government (provision)	12,244,983	-
Local authority social services (provision)	5,722,538	-
Local health boards (provision)	903,893	-
Local authority education services	-	-
Careers Wales <sup>158</sup>	133,900	-
Estyn	-	48,700
<b>Total<sup>159</sup></b>	<b>19,201,034</b>	<b>48,700</b>

### **Advantages**

8.363 There are no advantages associated with option one.

### **Disadvantages**

8.364 Under the current arrangements when learners move from school to further education, they move from SEN legislation to LDD legislation. Under the new system, learners will be subject to the same legislation throughout school and further education.

8.365 The lack of a single plan which follows young people throughout school and further education means information does not necessarily follow a young person making the transition from school to further education.

8.366 Under the current arrangements, local authorities are responsible for assessing need and for securing special educational provision for children and young people up to the age of 16 (or 19 where the young person is in a special school). Following this, responsibility for assessing the education and

<sup>158</sup> The costs of £354,700 incurred from assessing the needs of young people and developing the learning and skills plans has not been included as it has been included in the section on the plans to support young people with LDD. Including it here would, therefore, result in double counting.

<sup>159</sup> This is a needs based system. Thus, costs per year go up or down depending on the number, and the needs, of learners who come through the system each year.



training needs of learners going into further education is the responsibility of Careers Wales on behalf of the Welsh Ministers.

- 8.367 The arrangements have potential for the knowledge the local authority has built up about the learner over their school career to be lost when the young person makes the transition to further education. Unlike local authorities, Welsh Government officials have not developed relationships with the young person and, thus, have limited information on which to base decisions.
- 8.368 In addition, the existing relationship between the local authority and young people and parents come to an end and parents have to develop a new relationship with the Welsh Government. This can be frustrating for young people and their parents.

**Option two: make local authorities responsible for planning and securing specialist further education provision for learners with ALN**

- 8.369 Under option two, where learners have a local authority maintained IDP, responsibility for securing post-16 provision, including specialist provision, would be transferred to local authorities.
- 8.370 In addition, the Welsh Ministers would be required to maintain, and publish, a list of independent specialist post-16 providers. Where providers do not agree with Welsh Minister's decisions in relation to the list, such as refusing to list an institution, specialist providers will be able to appeal to tribunal.
- 8.371 Local authorities would not be able to place a young person in independent specialist post-16 provision which was not on the list of independent specialist colleges maintained by the Welsh Ministers.
- 8.372 Local authority education services would work directly with schools and post-16 providers to identify and secure the necessary provision to meet the learners' needs.
- 8.373 Option two is expected to result in transition costs of £9,520 (see Table 59 below) and ongoing benefits of £133,580 per year.
- 8.374 Option two is the preferred option.

**Costs**

**Career Wales**

- 8.375 Under option two, Career Wales will no longer be responsible for developing learning and skills plans since they will be replaced by IDPs.
- 8.376 The group of learners currently in receipt of learning and skills plans are those with learning difficulties. Since local authority education services will be responsible for developing and maintaining IDPs for young people with the most complex needs, it is expected local authorities will be responsible for

making and maintaining a small number of these plans for the group of young people currently in receipt of learning and skills plans. The majority of young people with learning difficulties, however, have their needs met in an FEI. As such, and where appropriate, the majority of IDPs, for this group of learners, will be maintained by the FEI.

8.377 In addition, applications for funding will not exist under option two. Careers Wales will not, therefore, incur any costs under option two. As discussed above (see paragraph 8.28), there will be a transition period of two years (2018-19 to 2019-20) whereby the Welsh Government will fund Careers Wales to assist local authorities to identify suitable placements. Thus, there is a transition cost to the Welsh Government of approximately £709,400 (see Table 5 for Welsh Government implementation costs)<sup>160</sup>.

8.378 Transferring the work associated with undertaking S140 assessments and making applications to the Welsh Government for funding to attend an independent specialist college will result in Careers Wales having less funding. As stated above, the Welsh Government will continue to provide funding to Careers Wales for two years following the implementation of option two.

### **Local authority education services**

8.379 The existing budget currently used by the Welsh Ministers to secure and fund specialist post-16 provision will be transferred to local authorities when they take on the additional responsibilities. For the purposes of the regulatory impact assessment, it is assumed this will be equivalent to existing expenditure of £12,440,703 per year<sup>161</sup>. Local authorities will not, therefore, be subject to any additional ongoing costs associated with option two<sup>162</sup>.

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<sup>160</sup> This cost has not been included in the summary tables in this section as it has been included in the section on the plans to support young people with LDD. Including it here would, therefore, risk double counting.

<sup>161</sup> 2016-17 prices. Made up of SEP of £12,244,983 and salary costs of £195,720, see Table 58.

<sup>162</sup> Under option two, local authorities will not have to undertake an application process. Thus, there will be no additional responsibilities.

8.380 In addition, the Welsh Government is providing ongoing funding<sup>163</sup> for two years to Careers Wales to enable knowledge to be transferred from Careers Wales to local authorities. This could include, for example, Careers Wales providing training to local authorities. As such, local authorities are not expected to incur any transition costs.

### **Welsh Government**

- 8.381 Welsh Government will incur costs developing and maintaining the list of independent specialist colleges.
- 8.382 Welsh Government officials will undertake a number of administrative activities which would include, for example, ensuring independent specialist post-16 providers have submitted all the information required to demonstrate they meet the criteria for being entered onto, and remaining on, the published list. In addition, officials will review the Estyn inspection and annual monitoring reports to ensure no concerns have been raised<sup>164</sup>. Officials will update information on the published list about any changes to provision within an independent specialist post-16 provider, as notified by the provider.
- 8.383 From 2016-17 it is expected there will be seven independent specialist colleges operating in Wales<sup>165</sup>. It is expected all independent specialist colleges located in Wales will apply to be included on the published list.
- 8.384 There are currently 64 independent specialist colleges situated in England which are registered on the list published by the UK Government. It is expected some independent specialist post-16 providers located in England, particularly those situated along the Welsh-English border, will apply to be on the list for Wales. Whilst the number of independent specialist post-16 providers located in England who will apply to be registered on the published list is not known, we can expect it to be at least equal to the number of

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<sup>163</sup> Transition funding of £709,400 is being made available to Careers Wales (see Table 5).

<sup>164</sup> These are forwarded to the Welsh Assembly Government and subsequently the school, as part of the continued monitoring of the school to ensure that any identified shortcomings are addressed.

<sup>165</sup> A new ISC has been established in Wales, which will be expected to start accepting learners from 2016/17. At the time of writing, the ISC had not started operating.

independent specialist post-16 providers the existing cohort of learners from Wales are currently attending.

- 8.385 During 2014-15 and 2015-16, there were 10 independent specialist post-16 providers located in England which learners from Wales attended.
- 8.386 It is estimated the administrative costs will be approximately £320. This is based on a Welsh Government executive officer spending approximately 60 minutes on each of the 17 applications for independent specialist post-16 providers to be placed on the list<sup>166</sup>. This is a one-off transition cost which is expected to be incurred in 2017-18.
- 8.387 In addition, independent specialist colleges who wish to be considered for the published list will have to provide financial information to the Welsh Government which will be assessed by Welsh Government officials (as part of a financial 'health' check). The financial checks are expected to be undertaken by a senior executive officer and take 30 minutes for each application to be assessed. The estimated total for assessing 17 applications for independent specialist post-16 providers to be placed on the list is approximately £280<sup>167</sup>. In total, then, the Welsh Government is expected to incur transition costs of £320 in 2017-18 and on-going costs of £280 per year.

### **Social services and health boards**

- 8.388 As noted above (paragraphs 3.357 and 3.356), the costs incurred by social services and local health boards in funding specialist placements is not expected to change under this option.

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<sup>166</sup> Based on an average EO salary in 2016-17 of £32,424 including on-costs, weekly costs of £704.87 (46 weeks) and an hour costs of £19.05 (37 hours). Total cost is £323.86.

<sup>167</sup> Based on 2016-17 SEO average salary of £55,248 including on-costs, weekly costs of £1201.04 (46 weeks) and 30 minutes costs of £16.23 (37 hours). Total cost £275.92.

## **Estyn**

- 8.389 Under option two, Estyn will continue to monitor independent specialist colleges in Wales. The cost of monitoring independent specialist college will be the same as option one<sup>168</sup>.
- 8.390 Estyn will also undertake an assessment of the information provided by independent specialist colleges based in Wales who apply to be placed on the published list. It is estimated Estyn will incur costs of approximately £9,200<sup>169</sup> undertaking seven assessments. This will be a one-off transition cost which will be incurred in 2017-18.

## **Benefits**

- 8.391 Under option two, there is an expected saving of £133,580 per year (see Table 59 below), which will result from removing the need for Careers Wales to make applications to Welsh Ministers to secure and fund placements.
- 8.392 In addition, the need for Careers Wales to develop learning and skills plans has also been removed. The introduction of a single plan which follows a young person throughout their educational journey means the need to develop separate learning and skills plans in preparation for young people entering further education will no longer be required. Rather, the planning will take place as part of the IDP review process. This benefit has not been included in the summary of costs for this section as it has been included in the section on plans to support children and young people with ALN.
- 8.393 Existing relationships would be maintained and the knowledge the local authority has built up about the young person will not be lost on transition to further education.

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<sup>168</sup> For illustrative purposes, the RIA assumes the number of independent specialist colleges has remained stable at six college and the inspection cycle has remained the same. Neither change is the result of provisions within the Bill.

<sup>169</sup> Based on 1.5 days at a daily rate of £878. Total cost £9,219.

Table 59: cost difference

	<b>Annual costs – do nothing</b>	<b>Transition costs 2017-18 to 2020-21</b>	<b>Annual costs – option two</b>	<b>Ongoing cost difference</b>
<b>Welsh Government – administration</b>	195,720	320	280	-195,400
<b>Welsh Government – provision</b>	12,244,983		0	-12,244,983
<b>Local authority social services – provision</b>	5,722,538		5,722,538	0
<b>Local health boards – provision</b>	903,893		903,893	0
<b>Local authority education service</b>	0		12,440,703	12,440,703
<b>Careers Wales</b>	133,900		0	-133,900
<b>Estyn</b>	48,700	9,200	48,700	0
<b>Total</b>	<b>19,249,734</b>	<b>9,520</b>	<b>19,116,114</b>	<b>-133,580</b>

- 8.394 Transferring responsibility to local authorities would enable local authority education services and local authority social services to collaborate when negotiating the development of, and cost of, provision. In this way, the local authority is better positioned than Welsh Government officials to encourage the development of local packages of support as well as deliver improved transition arrangements from school into FE and out of education.
- 8.395 In addition, taking on a direct role would allow an opportunity for the local authority to work with local further education institutions and specialist providers in developing local provision for young people with complex needs. This will facilitate local authorities and FEIs to jointly plan placements for the needs of children and young people whilst they are still at school. As such, post-16 provision for young people with complex needs could be expanded locally. This has potential to reduce out-of-county and out-of-country placements and to make associated savings. Young people and their families would benefit from the option of having local provision.

- 8.396 It has not been possible to estimate the number of local placements which would replace out-of-county and out-of-country placements. This benefit is not, therefore, known.
- 8.397 Welsh Ministers' list of independent specialist colleges should provide assurance to local authorities and to young people regarding the standards and quality of teaching.
- 8.398 It will also increase awareness of the specialist provision available, as the published list will outline the specific provision each independent specialist college can cater for.
- 8.399 The list will facilitate local authorities to place young people in appropriate independent specialist colleges, with the potential to increase the effective use of public money by having a positive impact on outcomes for young people.

## **Risks**

- 8.400 There is a risk the knowledge Careers Wales has built up about specialist post-16 provision in terms of the support they can provide for specific groups of young people with additional needs will be lost. This, in turn, could result in a risk of inappropriate placements and increased appeals about local authority decisions.
- 8.401 This risk is expected to be low and can be mitigated by Careers Wales transferring this knowledge to local authorities. As set out above, the Welsh Government is providing ongoing funding for two years to Careers Wales to enable knowledge to be transferred from Careers Wales to local authorities. This could include, for example, Careers Wales providing training to local authorities.
- 8.402 There is a risk of increased costs where independent specialist colleges appeal to tribunal against decisions made by the Welsh Ministers in relation to the list, such as refusing to list an institution. This risk is, however, considered



to be very small due to the experience of similar arrangements in relation to the registration of independent schools.

8.403 Under option two, the right of appeal for independent specialist colleges to appeal against decisions made by Welsh Ministers in relation to the list is similar to the right of appeal independent schools have to challenge Welsh Ministers' decisions in relation to registration<sup>170</sup>. Experience of the independent schools registration system in Wales shows that no appeals have been lodged since it was established in 2002. This may be attributed to:

- close working with Estyn;
- the incentive arising from the link between registration and the provider's ability to operate; and
- the opportunity for providers to submit an action plan setting out how and by when they will address any standards they don't meet first time.

8.404 A similar approach will be taken when operating the list with the aim of mitigating the risk of challenges.

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<sup>170</sup> The independent schools registration system under Part 10 of the Education Act 2002 provides the proprietor of an independent school with a right of appeal against a decision by Welsh Ministers to refuse or cancel their registration. These appeals are made to the Health, Education and Social Care Chamber of the First-tier Tribunal, part of HMCTS, an agency of the Ministry of Justice, whose jurisdiction covers England and Wales.

## Registration and approval of independent schools in respect of SEN

- 8.405 There are 66 independent schools in Wales<sup>171</sup>, of which 31 are 'generally approved' to admit learners with statements of SEN.
- 8.406 Currently, there are two separate legislative systems in operation for the 'registration' and 'approval' of independent schools in Wales in respect of SEN<sup>172</sup>.
- 8.407 Any establishment wishing to operate as a school in the independent sector must be registered with the Welsh Ministers. All independent schools are inspected by Estyn as part of seven-year inspection period. The seven-year inspection period was introduced in September 2016.
- 8.408 In addition, an independent school must be approved by the Welsh Ministers to generally admit children and young people with a statement of SEN. Organisations can either seek approval when applying to become a registered independent school or, where a school is already registered, an application for material change can be submitted. In both cases, the type of SEN which can be accommodated must be set out. Where independent schools are approved to generally admit children and young people with a statement of SEN, they are monitored annually by Estyn.
- 8.409 Where an independent school has not been approved to generally admit learners with a statement of SEN, it is possible for a local authority to seek the Welsh Ministers' consent to an individual placement of a child with a statement of SEN within the school. Since 2008, there have been 24 schools across Wales and England which have admitted pupils on the basis of

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<sup>171</sup> <https://stats.wales.gov.wales/Catalogue/Education-and-Skills/Schools-and-Teachers/Schools-Census/Independent-Schools/Schools/schools-by-localauthorityregion-year>

<sup>172</sup> Section 160 of the Education 2002 requires schools to register in respect of SEN and section 347 of the Education Act 1996 requires schools to gain the approval of the Welsh Ministers to admit a child with a statement of SEN.

consent from the Welsh Ministers<sup>173</sup>. The independent school the learner is placed in will not be monitored annually by Estyn.

- 8.410 The number of applications for consent to admit a learner with a statement of SEN to an independent school is based on demand. Consequently, numbers can fluctuate from year to year. During 2014-15, for example, there were 17<sup>174</sup> applications for consent for pupils to attend six independent schools in Wales, compared to six<sup>175</sup> applications to three independent schools during 2015-16. The number of applications to schools in England was more stable. During 2014-15, there were seven applications to six independent schools in England, compared to ten applications to seven independent schools in 2015-16. In total, there were 40 applications received during 2014-15 and 2015-16 to 18 schools<sup>176</sup> in England and Wales.
- 8.411 It is possible for parents to make their own arrangements to fund a place for a child or young person with a statement of SEN at an independent school, which has not been approved by the Welsh Ministers, insofar as the authority maintaining the statement is satisfied the arrangements are suitable.

### **Option one: do nothing**

- 8.412 Under option one the current arrangements to 'register' or 'approve' independent schools who wish to admit children and young people with a statement of SEN will remain.

### **Costs**

- 8.413 As Table 60 and Table 61 set out, the cost of option one is estimated to be £451,020. This is made up of £63,420 costs incurred from registration,

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<sup>173</sup> Records go back to May 2008. Since then, Welsh Ministers have given consent for 24 schools, which are not registered to generally to admit pupils with SEN, to admit pupils with SEN. Of the 24 schools, 14 are now generally approved to admit young people with SEN.

<sup>174</sup> Financial year. Excludes applications not required as the school was already generally registered.

<sup>175</sup> Financial year. Excludes applications not required as the school was already generally registered.

<sup>176</sup> There is repetition in applications to schools across years, thus the total number of unique schools applied to is 18 schools rather than 22 schools.

general approval and individual consent and £387,600 from inspection and monitoring. The majority of the costs, £414,550, are incurred by Estyn.

Table 60: cost of registration, general approval and individual consent by body

	Registration and approval (£)	Material change (£)	Individual consent (£)	Total (£)
Schools	9,600	25	1,000	10,625
Welsh Government	70	5	110	185
Estyn	45,700	650	5,900	52,250
Local authority education service	0	0	360	360
<b>Total</b>	<b>55,370</b>	<b>680</b>	<b>7,370</b>	<b>63,420</b>

Table 61: cost of inspection and monitoring

	<b>Inspection of all independent schools (£)</b>	<i>Inspection of independent schools not approved (£)</i>	<i>Inspection of approved independent schools (£)</i>	<b>Annual monitoring of approved independent schools (£)</b>	<b>Total (£)</b>
Estyn	<b>210,700</b>	<i>136,100</i>	<i>74,600</i>	<b>151,600</b>	<b>362,300</b>
Schools	<b>10,400</b>	<i>5,500</i>	<i>4,900</i>	<b>14,900</b>	<b>25,300</b>
<b>Total</b>	<b>221,100</b>	<i>141,600</i>	<i>79,500</i>	<b>166,500</b>	<b>387,600</b>

## Cost of registration and general approval process

### Welsh Government

- 8.414 Following the receipt of an application to register<sup>177</sup> an independent school, the Welsh Government will check the form has been completed correctly and that all the necessary paperwork has been submitted, prior to sending the application to Estyn.
- 8.415 Between 2011/12 and 2015/16, there were 19 applications<sup>178</sup> for registration of an independent school, an average of approximately four per year. The

<sup>177</sup> Any application where the establishment has identified its wish to admit learners with SEN, will also be considered for general approval at the same time. This is an integrated registration process. There is no separate application process for general approval.

<sup>178</sup> 2 in 2011/12, 5 in 2013/14, 2 in 2013/14, 3 in 2014/15 and 7 in 2015/16.

Welsh Government incurred cost of approximately £18<sup>179</sup> to complete the checking process for each application for referral to Estyn and for responding to the school following recommendation from Estyn. The total cost per year is, therefore, estimated to be approximately £70 per year<sup>180</sup>.

## **Estyn**

- 8.416 Estyn has a three-part process<sup>181</sup> for inspecting applications to register as an independent school:
- assessment of the information provided on the application form
  - pre-registration visit and report to Welsh Government setting out the recommendation regarding registration
  - post-registration visit.
- 8.417 Estyn takes an average of 13 days to complete the registration inspection process set out above and incurs costs of approximately £11,400<sup>182</sup> for each application to register. The total cost based on four applications to register an independent school each year is, therefore, £45,700 (see Table 60 above).
- 8.418 Following registration, Estyn inspects independent schools as part of the mainstream seven-year inspection period. Estyn spends between 17 and 35 days inspecting an independent school, depending on the size of the school. The average cost of inspecting an independent school is £21,072<sup>183</sup>.

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<sup>179</sup> Based on an executive officer spending one hour per application. Average salary £31,200 including on-costs, weekly costs of £678.26 (46 weeks) and an hourly cost of £18.33 (37 hours). Salary costs for 2014-15 and 2015-16 are the same.

<sup>180</sup> £18\*4 applications per year=£72.

<sup>181</sup> Where an establishment has identified its wish to admit learners with SEN, Estyn will consider as part of its registration process whether the establishment should be recommended for general approval to admit learners with SEN.

<sup>182</sup> Based on a daily rate of £878. The rate is based on the total budget of £11.594m divided by the total number of HMI activity days available in a year (60HMI\*220 working days=13,200 days).

<sup>183</sup> Source Estyn

- 8.419 The majority of inspections of approved independent schools, however, take 17 days at a cost of £14,926<sup>184</sup>. The majority of inspections of non-approved independent schools take 31 days at a cost of £27,218<sup>185</sup>.
- 8.420 Estyn inspect an average of 10 independent schools per year at an estimated cost of approximately £210,700 per year. Of the 10 independent schools an average of five a year will be approved independent schools. Estyn incurs costs of £14,926 inspecting each approved independent school. Thus, the cost of inspecting five approved independent schools per year is approximately £74,600 a year.
- 8.421 The remaining five independent schools will be non-approved schools which take 31 days to inspect at a cost of £27,218. Thus, Estyn incurs costs of approximately £136,100 per year inspecting the five non-approved independent schools. The total cost incurred by Estyn for inspecting independent schools is, therefore, £210,700 (see Table 61 above).
- 8.422 In addition to inspection, Estyn undertakes annual monitoring on those independent schools which are approved to generally admit learners with SEN. It is estimated the monitoring process takes 6.5 days at a cost of approximately £5,700 per school. The cost to Estyn for monitoring 31 approved independent schools in Wales would be approximately £176,900 a year, if monitoring took place every year. Since Estyn undertakes monitoring visits six out of every seven years, as one of the years will be a full inspection, the average annual cost incurred by Estyn for monitoring visits is, therefore, approximately £151,600<sup>186</sup> (see Table 61 above).
- 8.423 In total, the costs Estyn incur from inspecting and monitoring schools is £362,300 per year.

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<sup>184</sup> Source Estyn

<sup>185</sup> Source Estyn

<sup>186</sup> Estyn incurs costs of £5,707 undertaking an individual monitoring visit. Undertaking annual monitoring visits to 31 schools cost £176,917. Average annual cost for six out of seven years is  $(176,917/7)*6 = 151,643$ .

## Independent schools

- 8.424 Currently organisations that wish to register as an independent school need to apply to the Welsh Government<sup>187</sup>. Where an organisation wishes to be registered as an independent school which admits young people with SEN, the organisation will set out the SEN that can be provided for as part of the registration process.
- 8.425 It is estimated schools spend two hours collating the necessary paperwork and filling out the application form. Assuming the application form is completed by the proposed head teacher, it is estimated the cost of applying for registration is £100 per school<sup>188</sup>. The total estimated cost per year based on four applications to register as an independent school is approximately £400.
- 8.426 As part of the application process, schools have to submit plans of the school, drawn to scale in square metres, showing the layout of the premises and accommodation of all buildings. It has not been possible to determine a cost per school for this requirement because of the diversity of school circumstances. Some schools may, for example, have had plans drafted by an architect as part of an application for planning permission, some may choose to draft plans in-house, whilst others will choose to commission an architect to develop the plans.
- 8.427 The school proprietor(s) will be subject to a Disclosure and Barring Service (DBS) check. Proprietor includes the owner and/or those with responsibility for the governance of the school, such as the members of the board of governors. A DBS check currently cost £44<sup>189</sup>. The number of checks required

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<sup>187</sup> Information about the registration of independent schools can be found at:

<http://gov.wales/docs/dcells/publications/141126-independent-school-registration-handbook-en.pdf>

<sup>188</sup> Based on a head teacher salary of £85,848 including on-costs, £1,866 per week (46 weeks) and £50 hour (37 hours).

IAPS guide: <https://www.hcrlaw.com/wp-content/uploads/2015/06/Independent-Schools-%E2%80%93-IAPS-Guide-to-Salaries-2015.pdf>

NASUWT guide:

[http://www.nasuwt.org.uk/consum/groups/public/@salariespensionsconditions/documents/nas\\_download/nasuwt\\_014603.pdf](http://www.nasuwt.org.uk/consum/groups/public/@salariespensionsconditions/documents/nas_download/nasuwt_014603.pdf)

<sup>189</sup> <https://www.gov.uk/disclosure-barring-service-check/overview>

will depend on the number of proprietors. For illustrative purposes, it is assumed each school has a board of governors consisting of between 15 and 30 members<sup>190</sup>, costing an average £1,000 per school<sup>191</sup>. The estimated total per year for four schools is approximately £4,000.

8.428 Schools are subject to both a pre-registration and post-registration visit. Staff will be involved in preparing for the visits, meeting with inspectors, accompanying the inspector around the school and responding to requests for follow up information. It is expected the schools will spend one and a half days on pre-registration visit related activities and two days on post-registration visit activities. The estimated cost incurred by schools is approximately £1,300 per school<sup>192</sup>. The cost per year to four schools is estimated to be approximately £5,200.

8.429 A school would, therefore, incur costs of approximately £2,400 completing the process of registration<sup>193</sup>. The total cost per year to four schools is estimated to be approximately £9,600 (see Table 60 above).

8.430 Once registered, schools will be subject to inspection by Estyn as part of the seven-year inspection cycle. It is expected schools will spend three days on inspection related activities, once during each seven-year period. Based on the assumption the head teacher undertakes the inspection related activities, it is estimated schools will incur costs of approximately £1,100<sup>194</sup> per inspection, with an average cost of approximately £160<sup>195</sup> per year. The total estimated cost for the 66 independent registered schools in Wales is approximately £10,400<sup>196</sup> per year, of this £4,900 is the cost incurred by inspecting the 31 approved independent schools (see Table 61 above).

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<sup>190</sup> <http://www.moderngovernor.com/wp-content/uploads/2011/06/Who-Governs-the-Governors.pdf>

<sup>191</sup> Average number of governors 22.5\*44=990.

<sup>192</sup> Based on a head teacher salary of £85,848 including on-costs, £1,866 per week (46 weeks) and £373 per day.

<sup>193</sup> £1,000 average DBS checks, £1,300 pre and post registration visit and £100 for the application.

<sup>194</sup> Based on a head teacher salary of £85,848 including on-costs, £1,866 per week (46 weeks) and £373 per day. 3\*£373=£1,119

<sup>195</sup> 1/7 of £1,100 cost per inspection. Costs incurred £157 per inspection per school.

<sup>196</sup> £157.88\*66=£10,420.08.



8.431 Where a school is successful in being granted approval to generally admit learners with SEN, it will be subject to annual monitoring. This will take place six out of every seven years, since a full inspection will take place once every six years. Based on the assumption it takes a school 1.5 days on monitoring visit related activities, such as accompanying the inspector and providing follow up information, it is estimated schools incur costs of £560 per monitoring visit<sup>197</sup>, with an average yearly cost of approximately £480<sup>198</sup> per school. The total cost for the 31 approved schools in Wales is estimated to be approximately £14,900 per year (see Table 61 above).

### **Cost – material change to admit young people with statements of SEN**

#### **Welsh Government**

- 8.432 Where an independent school did not seek to admit children and young people with SEN at the point of registration, and thus be generally approved to admit children and young people with statements of SEN, the school can subsequently request approval to do so from the Welsh Ministers.
- 8.433 On receipt of a request for a material change to admit children and young people with SEN, the Welsh Government checks the application is complete, prior to seeking the views of Estyn.
- 8.434 It takes approximately 30 minutes for the Welsh Government to check the request at an estimated cost of approximately £9 per application<sup>199</sup>. During the academic years 2014/15 and 2015/16, only one material change request was received in relation to SEN<sup>200</sup>. Based on an average of one request every two years, the cost to Welsh Government is estimated to be approximately £5 per year (see Table 60 above).

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<sup>197</sup> Based on a head teacher salary of £85,848 including on-costs, £1,866 per week (46 weeks) and £373 per day.

<sup>198</sup> 6/7 of £560 is £467.

<sup>199</sup> Based on an executive officer spending one hour per application. Average salary £31,200 including on-costs, weekly costs of £678.26 (46 weeks) and an hourly cost of £18.33 (37 hours).

<sup>200</sup> Data relating to materials changes prior to September 2014 is not disaggregated by the type of change being requested.

## **Estyn**

- 8.435 On receipt of a request from the Welsh Government to consider a request for a material change from an independent school, Estyn undertakes an assessment to inform the recommendation. It is estimated the assessment process takes 1.5 days at a cost of approximately £1,300 per application. Based on receiving one material request change every two years, it is estimated the cost incurred to Estyn is approximately £650 per year (see Table 60 above).
- 8.436 Estyn monitors schools generally approved to admit learners with statements of SEN, annually. It is estimated the monitoring process takes 6.5 days at a cost of approximately £5,700 per school. Based on one school being granted approval to generally admit learners with statements of SEN every two years, the cost per year would be £2,850. Monitoring visits are, however, undertaken in six out of every seven years, as an inspection visit will take place once every six years. Thus, the cost of undertaking monitoring visits for additional schools approved to generally admit young people with statements SEN is estimated to be approximately £2,400 per year<sup>201</sup>. The cost of monitoring the newly registered schools has been included in the cost of monitoring all 31 approved schools in Wales (see paragraph 8.422 above)<sup>202</sup>.

## **Independent schools**

- 8.437 Where an independent school subsequently wishes to admit learners with statements of SEN, general approval from the Welsh Government must be gained. To seek approval for material change in respect of SEN provision, independent schools write to the Welsh Government setting out the numbers and age range of proposed pupils, together with information about the types of special educational needs to be catered for.

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<sup>201</sup>  $(£2,850/7)*6=£2,442.86$ .

<sup>202</sup> The newly approved schools are included in the 31 schools Estyn monitors, since there is a total of 31 approved school in Wales. Hence this cost is already included within the cost of monitoring the 31 schools in Wales

- 8.438 It is expected making such an application to generally admit learners with statements of SEN and collating any additional information<sup>203</sup> required will take no longer than an hour. Assuming the application is made by the head teacher, it is estimated the cost per school is approximately £50. The total cost per year, based on one request every two years, is estimated to be approximately £25 (see Table 60 above).
- 8.439 Where a school is successful in being granted approval to generally admit learners with SEN, it will be subject to annual monitoring. This will take place five out of every six years, since a full inspection will take place once every six years. Based on the assumption it takes a school 1.5 days on monitoring visit related activities, such as accompanying the inspector and providing follow up information, it is estimated schools incur costs of £560 per monitoring visit<sup>204</sup>, with an average yearly cost of approximately £480<sup>205</sup> per school. The cost per year for those schools who subsequently gain a request for material change is estimated to be approximately £240 per year (based on one school every two years). This cost is included in the total cost of approximately £14,900 per year for all 31 approved schools in Wales<sup>206</sup>.

### **Costs – individual consent to admit learners with a statement of SEN**

- 8.440 Where a local authority wishes to place a learner in a school, located in England and Wales, which does not have approval to generally admit learners with statements of SEN, the local authority must seek approval from the Welsh Ministers to do so.
- 8.441 As stated above, 40 applications were received during 2014-15 and 2015-16 to 18 schools in England and Wales. An average of 20 applications to nine schools located in England and Wales each year.

<sup>203</sup> Depending on the numbers of pupils to be catered for the Welsh Government may also require curriculum details, schemes of work and, where alterations have been made to the school premises, two copies of the school plans drawn to scale in square metres.

<sup>204</sup> Based on a head teacher salary of £85,848 including on-costs, £1,866 per week (46 weeks) and £373 per day.

<sup>205</sup> 5/6 of £560 is £467.

<sup>206</sup> The newly approved schools are included in the 31 schools Estyn monitors, since there is a total of 31 approved school in Wales. Hence, this cost is included in the cost of monitoring the 31 schools in Wales.

- 8.442 The process involves completing an application form and providing supporting documents, such as the statement of SEN. It is estimated local authorities will spend approximately one hour preparing the application at a cost of approximately £18<sup>207</sup> per application. The total cost to local authorities, based on 20 applications per year, is estimated to be approximately £360 per year (see Table 60 above).
- 8.443 The application also requires evidence the school can meet the needs of the learner. It is estimated schools will incur costs of £50<sup>208</sup> preparing written confirmation of ability to meet the learner's needs. The total cost to schools, based on 20 applications per year, is estimated to be approximately £1,000 per year (see Table 60 above).
- 8.444 On receipt of an application for a school based in Wales, the Welsh Government sends the application to Estyn for consideration. Estyn considers the information provided by the local authority together with information collected as part of any inspections undertaken and makes a recommendation to the Welsh Government. It is estimated Estyn spends an average of 1.5 days considering the information at an estimated cost of £1,300 per application. The total cost to Estyn, based on an average of 4.5 applications per year to schools based in Wales, is estimated to be approximately £5,900 per year (see Table 60 above).
- 8.445 The Welsh Government will make a decision based on the recommendation from Estyn. It is estimated the Welsh Government spends one hour assessing the information at a cost of approximately £24 per application. Based on an average of 4.5 applications per year, the estimated cost to the Welsh Government is approximately £110 per year (see Table 60 above).

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<sup>207</sup> Based on the equivalent of a Welsh Government executive officer spending one hour per application. Average salary £31,200 including on-costs, weekly costs of £678.26 (46 weeks) and an hourly cost of £18.33 (37 hours).

<sup>208</sup> Based on a head teacher salary of £85,848 including on-costs, £1,866 per week (46 weeks) and £50 hour (37 hours).

8.446 Unlike general approval to admit young people with statements of SEN, Estyn does not annually monitor independent schools who have received Welsh Ministers consent to admit a child or young person with a statement of SEN.

### **Advantages**

8.447 There are no additional costs associated with option one.

## **Disadvantages**

- 8.448 The Welsh Ministers will be required to continue to operate two separate legislative systems which, to an extent, replicate each other.
- 8.449 Under the existing arrangements, it would continue to be possible for children and young people with SEN to have a placement at an independent school which is inspected as part of the mainstream seven-year cycle of inspection but not monitored on an annual basis. This would happen where a school did not have the approval of the Welsh Ministers to generally admit children and young people with a statement of SEN but the local authority had gained consent to an individual placement of a child with a statement of SEN within the school.
- 8.450 In addition, it is not currently clear what each independent school is able to cater for. Under the current arrangements, there is not publicly available information which covers all independent schools in respect of the special education provision they deliver. This restricts choice for children, young people and parents.

## **Option two: reform the system for the registration and approval of independent schools in respect of SEN**

- 8.451 Option two differs from the current situation in the following ways. First, option two removes the existing legislative system for approving independent schools and enables a single legislative process for the registration of independent schools who wish to admit learners with ALN.
- 8.452 Second, as part of the registration process independent schools will be required to set out the ALP they are able to provide, rather than the type of ALN they cater for.
- 8.453 Third, since the legislative system for approving independent schools will be removed, including the requirement to seek consent for individual placements, option two places a restriction on local authorities who will not be able to place learners with a local authority maintained IDP at an independent school which is not registered for the ALP required by the learner.
- 8.454 Finally, option two would introduce a requirement for the Welsh Ministers to maintain, and publish, a register of independent schools. Where an independent school does not agree with a decision made by the Welsh Ministers, such as a decision not to include the independent school on the published list, the independent school may appeal against the decision.
- 8.455 Option two is the preferred option.

### **Summary of costs**

- 8.456 Table 62 and Table 63 below set out the costs incurred as a result of option two. The total cost of option two is estimated to be £497,710. This is made up of £56,410 incurred as a result of registration, material change and individual consent and £441,300 incurred from inspecting and monitoring independent schools.

8.457 This compares to an estimated cost of £451,020 for option one (see paragraph 8.413 above). The overall cost difference is, therefore, estimated to be an additional £46,690.

Table 62: annual cost of registration, material change and individual consent by body

	Registration and approval (£)	Material change (£)	Individual consent (£)	total (£)
Schools	9,600	25	0	9,625
Welsh Government	70	5	0	75
Estyn	45,700	650	0	46,350
Local authority education service	0	0.0	360	360
<b>Total</b>	<b>55,370</b>	<b>680</b>	<b>360</b>	<b>56,410</b>

Table 63: annual cost of inspecting and monitoring independent schools

	Inspection	Annual monitoring	Total
Estyn	210,700	200,500	411,200
Schools	10,400	19,700	30,100
<b>Total</b>	<b>221,100</b>	<b>220,200</b>	<b>441,300</b>

8.458 As Table 64 sets out, the estimated transition costs associated with implementing option two are £55,770. The costs are incurred by independent schools, Estyn and the Welsh Government and are related to the 41 independent schools which are expected to apply to register their additional learning provision (ALP). The 41 schools comprise of the estimated 10 independent schools in Wales which currently have learners placed on an individual consent basis; and the 31 schools currently generally approved to admit learners with statements of SEN. The transition costs are expected to be incurred in 2017-18.

Table 64: transition costs associated with amending registration details to identify the additional learning provision a school can cater for

	Transition cost (£)
Independent schools seeking material change	2,100
Estyn	53,300
Welsh Government	370
<b>Total</b>	<b>55,770</b>



- 8.459 Table 65 below sets out the cost difference between options one and two in relation to registration approval and consent. There are no changes in the costs incurred from registration and material change. In terms of individual consent, there is an estimated saving of £7,010. This is because individual consent will not exist under option two, thus the costs incurred by independent schools, Welsh Government and Estyn will not arise under option two.

Table 65: cost difference between option one and option two – registration, approval and consent

	Registration (£)	Material change (£)	Individual consent (£)	total
School	0	0	-1,000	-1,000
Welsh Government	0	0	-110	-110
Estyn	0	0	-5,900	-5,900
Local authority education service	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>-7,010</b>	<b>-7,010</b>

- 8.460 However, as set out in Table 66 below, independent schools will incur additional costs due to the additional number of schools which are expected to be registered to cater for young people with local authority maintained IDPs and the consequent additional monitoring visits. This additional activity is estimated to result in costs of approximately £4,800 for schools and £48,900 for Estyn.
- 8.461 The overall estimated additional ongoing cost for independent schools is approximately £3,800 a year and for Estyn the estimated additional ongoing is £43,000.

Table 66: cost difference between option one and option two – inspection and monitoring

	Inspection of all independent schools (£)	Annual monitoring of approved schools (£)
Estyn	0	48,900
Schools	0	4,800
<b>Total</b>	<b>0</b>	<b>53,700</b>

## **Costs**

### **Independent schools**

- 8.462 Under option two, section 347 of the 1996 Education Act would be repealed, thus removing the existing legislative duplication<sup>209</sup>.
- 8.463 There will be no additional costs or benefits from this change for organisations which apply to register as a school following the implementation of the Bill. The existing registration and general approval system is currently administered as a single system, since the application to register independent schools includes the same information needed to assess if the organisation can also be approved to generally admit children and young people with SEN. In addition, the current system of applying for a material change will remain the same under option two. Thus, there will be no additional costs or benefits for schools which subsequently wish to register their ALP through a material change.
- 8.464 There are, however, transition costs for the 31 schools currently generally registered to admit young people with SEN and both ongoing costs and transition costs for those 10 schools who have received Welsh Minister's consent for the placement of children and young people with statements of SEN.
- 8.465 The cost per independent school to amend their registration to identify the ALP it can provide will be the same as the current cost of a material change request. That is, £50 per school. The total estimated cost for 41 schools to register their ALP will, therefore, be approximately £2,100 (see Table 64). This is a one-off transition cost, which it is expected will be incurred in 2017/18.
- 8.466 Following the material change to deliver ALP, the 10 independent schools who have received Welsh Ministers consent for the placement of individual

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<sup>209</sup> Section 347 of the 1996 Education Act essentially duplicates the requirements of section 160 and section 162 of the 2002 Education Act. The existing school standards which relate to the 2002 Education Act will be updated to include two standards set out in the approval regulations relating to the 1996 Education Act.

pupils, will be subject to annual monitoring at an estimated additional cost of £560 per school per monitoring visit. Since schools are subject to monitoring visits in six out of seven years, the cost per school is estimated to be approximately £480 per year. The total additional cost for the 10 schools is estimated to be approximately £4,800 year. The estimated cost for the 31 schools which are currently monitored by Estyn is approximately £14,900. The total cost for 41 schools is, therefore, approximately £19,700 a year (see Table 63 above).

- 8.467 There are no additional costs for inspection, since all independent schools are currently inspected.

### **Risks**

- 8.468 There is a risk all 66 independent schools will consider the need to register their ALP, especially where learners have low level ALN, such as mild dyslexia. However, as with mainstream schools, it is expected independent schools can differentiate teaching practice to meet the needs of these low level ALN learners.
- 8.469 To avoid the situation where all independent schools in Wales would have to register all ALP delivered, the Welsh Government will update the Independent Schools Registration and Operation Guidance<sup>210</sup> to provide advice on what level of ALP has to be registered. The Welsh Government has allocated £18,000 to update policy and guidance following the implementation of the Bill (see Table 5 above).

### **Estyn**

- 8.470 As with option one, Estyn will undertake pre and post registration inspection, which would include consideration of the ALP the school has applied to register for. It is expected the cost incurred by Estyn will be the same as the current cost. That is, approximately £11,400 for each application to register, an estimated total of approximately £45,700 per year (see Table 62 above).

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<sup>210</sup> <http://gov.wales/docs/dcells/publications/141126-independent-school-registration-handbook-en.pdf>

- 8.471 Estyn is expected to incur additional annual monitoring costs since under option two, any school wishing to deliver ALP will have to be registered to do so and will, therefore, be subject to annual monitoring by Estyn.
- 8.472 Assuming the 10 independent schools who have received the consent of Welsh Ministers to place an individual pupil with a statement of SEN register their ALP, the estimated additional cost incurred by Estyn is expected to be approximately £48,900 per year.
- 8.473 The current cost incurred by Estyn to monitor the 31 schools currently approved to admit learners with statements of SEN is £151,600 per year (see Table 61 above). Thus, the total cost under option two for monitoring schools registered to deliver ALP is estimated to be approximately £200,500 (see Table 63 above).
- 8.474 There are no additional costs for inspection, since all independent schools are currently inspected.
- 8.475 Estyn will also incur a one-off cost as a result of the requirement for schools to register the ALP they intend to deliver. It is expected the 31 schools currently generally approved together with the 10 schools with pupils admitted on the basis of individual consent will submit a material change request to amend their registration to identify the ALP they will provide. The cost incurred by Estyn to consider these material change requests will be the same as the cost currently incurred by Estyn when undertaking any other request for a material change. That is £1,300 per school. The total cost incurred by Estyn for undertaking 41 material change requests is, therefore, estimated to be approximately £53,300. This is a one-off transition cost. It is expected this cost will be incurred in 2017-18 (see Table 64 above).

### **Local authorities**

- 8.476 Local authorities are not expected to incur any additional costs under option two. Currently, local authorities put together a case when applying to the Welsh Ministers for consent for a child or young person with a statement of

SEN to be placed at an independent school which is not generally approved to admit learners with statements of SEN. Under option two, local authorities will continue to have to satisfy themselves the placement is appropriate. Thus, it is expected local authorities will undertake the same activities under both option one and option two. This represents an annual cost to local authorities of £360 (see Table 62 above).

### **Welsh Government**

- 8.477 The Welsh Government will incur no ongoing additional costs since a register of independent schools is already kept.
- 8.478 The Welsh Government will incur transition costs related to changing the 41 independent schools which are expected to register their ALP. It is estimated it will take approximately 30 minutes for the ALP to be recorded at an estimated cost of £9 per school<sup>211</sup>. The cost of recording the ALP for 41 schools is, therefore, expected to be approximately £370. This is a one-off transition cost. This cost is expected to be incurred in 2017-18 (see Table 64).

### **Benefits**

- 8.479 The publication of the independent schools' register, combined with the changes to the registration system, would clearly set out for local authority education services and parents of learners with ALN the additional learning provision an independent school can cater for. This will raise awareness of the choice of provision available and, therefore, is likely to result in improved choice of provision for parents and learners.
- 8.480 The availability of clearer information, through the published register and a restriction on local authorities about where they can place a learner would reduce the risk of inappropriate placements for learners with ALN into an independent school.

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<sup>211</sup> Based on an executive officer spending one hour per application. Average salary £31,200 including on-costs, weekly costs of £678.26 (46 weeks) and an hourly cost of £18.33 (37 hours).

- 8.481 Option two provides a level of assurance to the local authority and the parent, that the independent school can meet the needs of the learner, as identified within their IDP. In addition, all independent schools who have registered their ALP will be monitored annually by Estyn, providing assurance to all children, young people and their parents about the quality and provision of ALP at the school.

### **Risks**

- 8.482 There is a risk of increased costs where independent schools appeal to tribunal against decisions made by Welsh Ministers in relation to the list, such as refusing to place an independent school on the list. This risk is, however, considered to be very small due to the experience of similar arrangements in relation to the registration of independent schools.
- 8.483 Independent schools currently have a right of appeal to challenge Welsh Ministers' decisions in relation to registration<sup>212</sup>. Experience of the independent schools registration system in Wales shows that no appeals have been lodged since it was established in 2002.

### **Disadvantages**

- 8.484 There are no disadvantages associated with option two.

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<sup>212</sup> The independent schools registration system under Part 10 of the Education Act 2002 provides the proprietor of an independent school with a right of appeal against a decision by Welsh Ministers to refuse or cancel their registration. These appeals are made to the Health, Education and Social Care Chamber of the First-tier Tribunal, part of HMCTS, an agency of the Ministry of Justice, whose jurisdiction covers England and Wales.

## Statutory basis of special educational needs support co-ordinators in education

- 8.485 The existing approach to co-ordinating support for children and young people with SEN in early years settings and in schools is through a special educational needs co-ordinator (SENCo)<sup>213</sup>. The SENCo has responsibility for coordinating SEN provision for children including training other staff, coordinating with a range of agencies, liaising with families, teaching and supporting children and young people, and maintaining records.
- 8.486 Whilst the SENCo is a recognised role, there is currently no requirement for maintained nurseries, mainstream schools, pupil referral units or FEIs to have a designated member of staff who undertakes the role of a SENCo.
- 8.487 The Special Educational Needs Code of Practice for Wales has no mandatory basis and, thus, the Welsh Ministers are currently unable to prescribe how the SENCo role should be undertaken. The code sets out the key responsibilities the role of a SENCo *might* include but provides little guidance about the time and support that should be given to the role. Consequently, there is no agreed definition of the role at either the local or national level and the role is undertaken in diverse ways.

### **Option one: do nothing**

- 8.488 Under option one the current approach to co-ordinating provision for children and young people with SEN and LDD would continue. That is, there would be no statutory requirement for schools, or other education settings, to appoint a SENCo and no requirement for FEIs to establish support services.

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<sup>213</sup> Unlike mainstream schools, special schools are specifically designed to deliver special educational provision and, thus, it is not necessary for special schools to appoint a SENCo to coordinate SEN provision.

## Cost

### Schools

- 8.489 There are currently 1,574<sup>214</sup> schools in Wales. Assuming an average of one SENCo per school<sup>215</sup> employed at £39,466.05<sup>216</sup> per year, the cost per year of is estimated to be approximately £62,119,600. In addition, some SENCos will be entitled to an SEN allowance<sup>217</sup>. Based on 50% of SENCos receiving an SEN allowance of £4,030.65, the estimated cost is approximately £3,172,100 per year. The total cost to schools of employing SENCos is, therefore, estimated to be approximately £65,291,700 per year.

### Pupil referral units

- 8.490 There are currently 28 pupil referral units in Wales. Pupil referral units are specialist providers in that all the teaching staff are experienced in delivering education to young people with behavioural issues, who may also have SEN. Unlike schools pupil referral units would not usually have a designated

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<sup>214</sup> <https://statswales.gov.wales/Catalogue/Education-and-Skills/Schools-and-Teachers/Schools-Census/Pupil-Level-Annual-School-Census/Schools/schools-by-localauthorityregion-welshmediumtype>

<sup>215</sup> The average is likely to be less than one ALNCo per school because the Bill will only require the governing body to designate a person responsible for co-ordinating ALP. The Bill does not require the person to be employed by the school. Thus, it will be possible for schools to take advantage of existing cluster or federated school arrangements. The current situation whereby it is possible for small schools to share a SENCO and for larger schools to employ more than one SENCO will, therefore, continue following the introduction of the Bill. For the purposes of estimating current costs, however, an average of one SENCo per school is used.

<sup>216</sup> The SENCo has been implemented in diverse ways. It is possible for the main role of the SENCo to be a higher level teaching assistant (HLTA), a teacher or a member of the leadership group such as head of year, head of department, deputy head teacher or teacher. Consequently, it is not possible to determine the precise national salary costs of SECOS. For the purposes of estimating current costs, the midpoint for classroom teachers September 2016 to August 2017 of £30,358.50 (£39,466.05 including on cost) has been used.

In addition, the proportion of time a SENCo spends undertaking their teaching duties in relation to the SENCO role is not known. Consequently, it has not been possible to disaggregate the cost of the undertaking SENCo related tasks from total salary costs. The salary costs are, therefore, likely to over, rather than under, estimated.

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/550286/STPCD\\_2016\\_guidance.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/550286/STPCD_2016_guidance.pdf)

<sup>217</sup> The SEN allowance ranges from £2,085 to £4,116 with a midpoint of £3,100.50 (£4,030.65 including on costs).

The SEN allowance is paid to classroom teachers only. It is not paid to HLTAs nor to staff on the leadership group pay range. Data is not currently collected on the number of SENCos who receive the SEN allowance. In addition, the proportion of SENCos who are classroom teachers is not known. Thus, it has not been possible to establish with actual current cost of the SEN allowance. For the purposes of estimating current SEN allowance costs, it is assumed 50% of SENCos will be classroom teachers who receive the SEN allowance.



SENCo. A co-ordinating role will, however, be undertaken. For illustrative purposes, it is assumed the role is undertaken by a teaching member of staff employed at £39,466.05<sup>218</sup> per year and all SENCos receive an average SEN allowance of £4,030.65. The current cost to pupil referral units of employing SENCos is estimated to be approximately £1,217,900.

8.491 There are currently 13 FEIs in Wales. Although not required, each FEI provides student support services and will have an LDD co-ordinator, who undertakes a role broadly similar to SENCos in schools. The individual undertaking the role may be a member of the teaching staff or a member of student support services. For illustrative purposes, it is assumed the LDD co-ordinator will be on a comparable pay scale to SENCos - £39,466.05<sup>219</sup> per year. The total estimated cost of the existing role in FEIs is, therefore, approximately £513,100.

8.492 The total cost of SENCos and SENCo type roles in Wales is, therefore, estimated to be £67,022,700 (see Table 67 below).

Table 67: current estimated cost of SENCo and SENCo type roles

	SENCo cost (£)
Schools	65,291,700
Pupil referral units	1,217,900
FEIs	513,100
<b>Total</b>	<b>67,022,700</b>

## Advantages

8.493 There are no additional costs associated with option one.

<sup>218</sup> For the purposes of estimating current costs, the midpoint for classroom teachers September 2016 to August 2017 of £30,358.50 (£39,466.05 including on cost) has been used.  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/550286/STPCD\\_2016\\_guidance.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/550286/STPCD_2016_guidance.pdf)

<sup>219</sup> For the purposes of estimating current costs, the midpoint for classroom teachers September 2016 to August 2017 of £30,358.50 (£39,466.05 including on cost) has been used.  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/550286/STPCD\\_2016\\_guidance.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/550286/STPCD_2016_guidance.pdf)

## Disadvantages

- 8.494 Currently, there is no requirement for education settings to have SEN co-ordinators. Although schools do have them, there is no consistent approach across Wales in terms of who should be a SENCo, what qualifications the SENCo should have and how the role should be undertaken. Whilst SENCos are generally qualified teachers, it is also possible for SENCos not to be qualified teachers. The SENCo could, for example, be a higher level teaching assistant or a member of the non-teaching staff.
- 8.495 To undertake the role effectively, SENCos need specific training in assessing and teaching young people with SEN. There is, however, currently a lack of specific training and a corresponding lack of consistency in the knowledge and skill base of SENCos.
- 8.496 There are currently issues regarding the extent to which teachers are trained to assess and teach young people with SEN (see for example Rose, 2010 cited Holtom et al 2012)<sup>220</sup>. In a recent study commissioned by the Welsh Government, Holtom et al (2010)<sup>221</sup> concluded education staff were generally confident in their skills and knowledge in relation to SEN. The evidence from the study suggests, with the important exceptions of assessment and differentiation<sup>222</sup>, this confidence is reasonably well-founded.
- 8.497 Lack of training for SENCos and teachers can result in some schools having limited capacity to deal with SEN and prevent unnecessary recourse to local authority assessments (see for example Rose, 2010 cited Holtom et al 2012)<sup>223</sup>. In addition, parents have expressed concerns over inconsistencies

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<sup>220</sup> <http://dera.ioe.ac.uk/16170/1/120626learningneedsfinalen.pdf>

<sup>221</sup> <http://dera.ioe.ac.uk/22888/1/150330-sen-en.pdf>

<sup>222</sup> Differentiation refers to an educational approach that requires teachers to tailor their learning, teaching and assessment whilst adjusting the curriculum to the needs of children, including those with SEN, rather than expecting pupils to fit the existing curriculum (Cole, R, (2008), *Educating Everybody's Children: Diverse Strategies for Diverse Learners*, Association for Supervision and Curriculum Development, Google Books, <http://books.google.co.uk/books?id=ixmW-porsOAC>; Rogers, C. (2007), *Experiencing an Inclusive Education: Parents and their Children with Special Educational Needs*, *British Journal of Sociology of Education*, 28, 1, pp55-68).

<sup>223</sup> <http://dera.ioe.ac.uk/16170/1/120626learningneedsfinalen.pdf>

in the effectiveness and quality of service from the SENCos at their children's school<sup>224</sup>.

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<sup>224</sup> Welsh Government (2008) Statements or something better: Summary of progress to date and the next steps. Available at:  
<http://gov.wales/dcells/publications/publications/guidanceandinformation/ellscomitteerecommendations/summaryprogressenglish?lang=en>

## **Option two: introduce a statutory ALN support co-ordinator role**

- 8.498 Under option two, a statutory role of ALN co-ordinator (ALNCo) would be introduced. The ALNCo will be responsible for providing strategic leadership to the delivery of ALP.
- 8.499 The ALNCo will provide a co-ordinating function at the strategic level and, as such, will not necessarily be responsible for the day-to-day activities relating to the ALP such as teaching or managing specialist ALN units within schools. It is expected these functions will continue to be the responsibility of teachers and higher level teaching assistants.
- 8.500 All education settings, other than special schools, would be required to appoint an ALNCo. Unlike mainstream schools, special schools are specifically designed to deliver special educational provision and, thus, it is not considered necessary for special schools to have to appoint an ALNCo to coordinate provision.
- 8.501 It is expected within schools and maintained early years settings<sup>225</sup>, the ALNCo will be a qualified teacher and within FEIs the ALNCo will be a teaching practitioner. In addition, all ALNCos will have to have undertaken a masters level programme of training.
- 8.502 Option two is the preferred option.

## **Cost**

- 8.503 There are no additional ongoing costs for schools, pupil referral units and FEIs since they already have SENCos or a SENCo role in place. The total on going cost of the ALNCo role is, therefore, estimated to be £67,022,700 (see Table 67 above). Where the existing SENCo is not, for example, a qualified teacher, responsibility for strategic co-ordination will have to be allocated to a qualified teacher. The day-to-day functions currently being undertaken by a SENCo

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<sup>225</sup> Independent early years settings will not be required to have an ALNCo but will be required to refer young people with ALN to the local authority.

can, however, continued to be undertaken by, for example, a higher level teaching assistants. As such, it is expected costs will remain the same.

- 8.504 Schools, pupil referral units and FEIs will, however, incur transition costs related to the training of the ALNCos. In total, the transition costs are expected to be £9,255,320 (see Table 68 below).

Table 68: cost of ALNCos

	2017-18	2018-19	2019-20	2020-21	Total
Schools - cost of degree	944,400	1,888,800	1,888,800	944,400	5,666,400
Schools - cost of training days	558,770	1,117,540	1,117,540	558,770	3,352,620
<b>total schools</b>	<b>1,503,170</b>	<b>3,006,340</b>	<b>3,006,340</b>	<b>1,503,170</b>	<b>9,019,020</b>
Pupil referral units - cost of degree	16,800	33,600	33,600	16,800	100,800
Pupil referral units - cost of training days	10,407	20,813	20,813	10,407	62,440
<b>Total pupil referral units</b>	<b>27,207</b>	<b>54,413</b>	<b>54,413</b>	<b>27,207</b>	<b>163,240</b>
FEIs - cost of degree	7,800	15,600	15,600	7,800	46,800
FEIs - cost of training days	4,377	8,753	8,753	4,377	26,260
<b>Total FEIs</b>	<b>12,177</b>	<b>24,353</b>	<b>24,353</b>	<b>12,177</b>	<b>73,060</b>
<b>Total</b>	<b>1,542,554</b>	<b>3,085,106</b>	<b>3,085,106</b>	<b>1,542,544</b>	<b>9,255,320</b>

## Schools

- 8.505 Schools will experience transition costs incurred as a result of funding the masters level qualification for 1,574<sup>226</sup> ALNCos. Based on the cost of a course of study being £3,600<sup>227</sup>, the total cost would be £5,666,400. It is expected the course will be undertaken on a part-time basis over three years. Based on the assumption 787 ALNCos start the course in years 2017-18 and in 2018-19, the costs are estimated to be approximately £944,400 in 2017/18, £1,888,800 in both 2018/19 and 2019/20 and £944,400 in 2020/21.
- 8.506 In addition, schools will incur opportunity costs as a result of the time ALNCos will be out of school studying. It is assumed teachers will spend a minimum of 10 days attending university and completing assignments<sup>228</sup>. It is estimated the opportunity cost per ALNCo will be approximately £1,960<sup>229</sup>, with a total opportunity cost of approximately £3,352,620<sup>230</sup>. It is expected this cost will be spread over four years with opportunity costs of £558,770 in 2017/18, £1,117,540 in both 2018/19 and 2019/20 and £558,770 in 2020/21.
- 8.507 While presented here as an opportunity cost, this may be a financial cost to schools where they hire supply staff to provide cover for ALNCos when they are away from the school.

## Pupil referral units

- 8.508 Pupil referral units will experience transition costs incurred as a result of funding the masters level qualification for 28 ALNCos. Based on the cost of a course of study being £3,600<sup>231</sup>, the total cost would be £100,800. It is

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<sup>226</sup> <https://stats.wales.gov.wales/Catalogue/Education-and-Skills/Schools-and-Teachers/Schools-Census/Pupil-Level-Annual-School-Census/Schools/schools-by-localauthorityregion-welshmediumtype>

<sup>227</sup> Based on Welsh Government masters in education practice course delivered between 2013/14 and 2016/17.

<sup>228</sup> The 10 days have been averaged across the three year degree course as it is expected each student will choose to take their study time at different points in the course.

<sup>229</sup> £39,466.05/195 contracted days + ((4030.65/195 contracted days)\*.5) = £212.73 per day (£2,127.25 for 10 days).

<sup>230</sup> £2,130\*1,574 ALNCos = £3,352,620

<sup>231</sup> Based on a Welsh Government tender for the masters in educational practice course delivered between 2013/14 and 2016/17.

expected the course will be undertaken on a part-time basis. Based on the assumption an average of 14 ALNCos start the course in years 2017-18 and in 2018-19, the costs are estimated to be approximately £16,800 in 2017/18, £33,600 in both 2018/19 and 2019/20 and £16,800 in 2020/21.

8.509 In addition, pupil referral units will incur opportunity costs as a result of the time ALNCos will be out of pupil referral units studying. It is assumed pupil referral units teachers will spend a minimum of 10 days attending university and completing assignments<sup>232</sup>. It is estimated the cost per ALNCo will be approximately £2,230<sup>233</sup>, with a total opportunity cost of £62,440. It is expected this cost will be spread over four years with opportunity costs of £10,407 in 2017/18, £20,813 in both 2018/19 and 2019/20 and £10,407 in 2020/21.

8.510 While presented here as an opportunity cost, this may be a financial cost to pupil referral units if they decide to hire supply staff to provide cover for ALNCos when they are away from the pupil referral unit.

### **Further education institutions**

8.511 FEIs will experience transition costs incurred as a result of funding the masters level qualification for 13 ALNCos. Based on the cost of a course of study being £3,600<sup>234</sup>, the total cost would be £46,800. Based on the assumption an average of 6.5 ALNCos start the course in years 2017-18 and in 2018-19. It is expected the course will be undertaken on a part-time basis. Thus, the costs are estimated to be approximately £7,800 in 2017/18, £15,600 in both 2018/19 and 2019/20 and £7,800 in 2020/21.

8.512 In addition, FEIs will incur opportunity costs as a result of the time ALNCos will be out of FEI studying. It is assumed the ALNCo will spend a minimum of

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<sup>232</sup> The 10 days have been averaged across the three year degree course as it expected each student will choose to take their study time at different points in the course.

<sup>233</sup> £39,466.05/195 contracted days /195 contracted days +4030.65/195 contracted days = £223.06 per day (£2,231 for 10 days).

<sup>234</sup> Based on a Welsh Government tender for the masters in educational practice course delivered between 2013/14 and 2016/17.

10 days attending university and completing assignments<sup>235</sup>. Based on the assumption an ALNCo based in an FEI is paid a similar salary to an ALNCo based in a school, it is estimated the cost per ALNCo will be approximately £2,020<sup>236</sup>, with a total opportunity cost of £26,260 for the 13 ALNCOs. It is expected this cost will be spread over four years with opportunity costs of £4,377 in 2017/18, £8,753 in both 2018/19 and 2019/20 and £4,377 in 2020/21.

- 8.513 While presented here as an opportunity cost, this may be a financial cost to FEIs where supply staff are required to cover for ALNCOs when they are away from the FEI.
- 8.514 Following the passage of the Bill, the Welsh Government ALN implementation team will be involved in a number of activities associated with the SEN masters qualification. This includes: engaging with higher education institutions to explore delivery options; and administering the Welsh Government ALN local authority implementation grant. The cost of the ALN implementation team are set out in Table 5 and are not, therefore, included here.
- 8.515 The Welsh Government will provide funding via the Welsh Government ALN local authority implementation grant, to assist with the cost of funding the masters qualification. The cost of the ALN local authority implementation grant has not been included here as it is set out in Table 5.

## Risks

- 8.516 There is a risk the transition costs associated with the masters qualification could be higher than projected. This would arise where, during the four year implementation period, an ALNCo starts the qualification but does not complete it due to, for example, resigning from their post. We do not have any

<sup>235</sup> The 10 days have been averaged across the three year degree course as it is expected each student will choose to take their study time at different points in the course.

<sup>236</sup> £39,466.05/195 contracted days = £ 202.39 per day (£2,023.90 for 10 days).



information on the level of churn in the current SENCo role and so it has not been possible to estimate it at this stage. This cost is, therefore, unknown.

- 8.517 There is also a risk there will not be sufficient capacity to train all ALNCoS within the four year time frame set out above. This would result in the implementation costs per year being lower than set out above since the cost would be spread over a greater number of years.

### **Advantages**

- 8.518 The requirement to appoint an ALNCo will extend current practice. Under option two, all education settings including pupil referral units and FEIs will be required to appoint an ALNCo.
- 8.519 Making the ALNCo a statutory role and ensuring the role is clearly defined within regulations and the code, would lead to a consistent approach to the coordination role across Wales.
- 8.520 A specific masters level qualification will provide the training necessary for the ALNCo to effectively fulfil the responsibilities of the role, including training and supporting other staff.
- 8.521 A qualified and trained ALNCo will ensure each setting has access to an individual with an advanced level of knowledge and skill across the range and types of ALN. This will enable all education setting practitioners to be better supported in the classroom and ensure learners needs are identified early and evidence based interventions are provided to meet those needs.
- 8.522 Improved support from ALNCoS to classroom practitioners and their learners should also contribute to improved learning outcomes and attainment for ALN learners.
- 8.523 At a strategic level, a qualified ALNCo will be able to implement whole setting systems/approaches to inclusion and ensure resources are managed effectively to better meet the needs of all learners.

- 8.524 A qualified ALNCo will also contribute to reducing inappropriate referrals to specialist services and, in turn, improve the capacity of specialist services to meet the needs of those learners who actually require their input. The advanced level of knowledge and skill the ALNCo will acquire through the qualification, should be sufficient to meet the needs of the majority of learners within their setting. The ALNCo will be the central point of contact for the setting and so will have a specific role in identifying those learners who require specialist service input and refer them as required.

### **Disadvantages**

- 8.525 There are no disadvantages associated with option two.

### **Risks**

- 8.526 There is a risk the new ALNCo requirements may be perceived as creating too much of a burden, which may put people off remaining, or becoming, an ALNCo.
- 8.527 This risk is, however, considered to be small due to the work the Welsh Government will undertake to avoid the role becoming too burdensome. This will include, for example, the ALN strategic implementation group (SIG) and its sub-expert group which will focus on the ALNCo role; consulting on the detail of the role as set out in regulation; and providing teacher training and support linked to the professional learning offer.
- 8.528 There is also a risk the additional responsibility together with the higher qualification may raise expectations of higher pay. There is, however, no link between the ALNCo qualification and teacher's pay.

## Statutory basis of strategic co-ordinators in health

- 8.529 There is currently no requirement for health boards to appoint a lead role or single point of contact with strategic responsibility for health related provision for children and young people with SEN.

### **Option one: do nothing**

- 8.530 Under option one, the existing approach to provision would continue. That is, health boards would continue to adopt diverse approaches to the strategic development, co-ordination and oversight of health related provision for children and young people with SEN.

### **Costs**

- 8.531 It has not been possible to determine the cost of strategic development, co-ordination and oversight of health provision for children and young people with SEN due to the diversity of approaches adopted by health boards. Since the role is already being undertaken, it is expected current costs will be a minimum of the costs set out in option two. That is, approximately £206,400<sup>237</sup> (see paragraph 8.563).

### **Advantages**

- 8.532 There are no additional costs associated with option one.

### **Disadvantages**

- 8.533 Although health boards currently secure SEN provision, which is overseen and coordinated to some degree, there is no formalised leadership role. It is not, therefore, consistently or strategically overseen across the Welsh NHS, nor is it necessarily prioritised at a central, strategic level. There is no single, identifiable role and thus, no common job title or set of responsibilities. In addition, there is also often no single point of contact within health boards in

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<sup>237</sup> Inclusive of on costs.

respect of SEN matters. Lack of coordination for statutory SEN duties risks negligence claims or reputational damage to health boards.

## **Option two: introduce a statutory role of designated educational clinical lead officer**

- 8.534 Option two would introduce a statutory role of designated education clinical lead officer (DECLO). Each health board would be required to appoint a DECLO.
- 8.535 The DECLO would be responsible for raising awareness of the provisions within the Bill and for establishing efficient systems to ensure the health services involved in ALN assessment (including speech and language therapy, occupational therapy, physiotherapy, child and adolescent mental health services, community paediatrics and learning disability services, primary care teams including GPs, health visitors and school nurses) are skilled to undertake appropriate, timely assessments, make evidence based recommendations on effective interventions, monitor outcomes, quality assure advice and benchmark across health boards to reduce any variation in practice or expectations.
- 8.536 The DECLO will be a registered healthcare professional with clinical qualifications and senior experience in an aspect of healthcare relevant to ALN, including but not confined to medical (primary or secondary care), nursing, midwifery, allied health or public health.
- 8.537 It is expected the time allocated to the role will be one day per week per 200,000 population or per 40,000 children and young people. The population in Wales is 3,092,000<sup>238</sup>, thus it would require the equivalent of three full time positions<sup>239</sup>. The positions will be located across health boards. On average, each of the seven health boards in Wales would have a healthcare professional undertaking DECLO responsibilities approximately two days per week.
- 8.538 Option two is the preferred option.

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<sup>238</sup> Annual Mid-year Population Estimates:2014

<http://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/annualmidyearpopulationestimates/2015-06-25>

<sup>239</sup>  $(3,092,000/200,000)/5=3$ .

## **Cost**

### **Health boards**

- 8.539 Since the role can be undertaken by a range of senior registered health professionals, the salary cost will be determined by the main role of the individual who becomes the DECLO. For illustrative purposes, an estimated salary of approximately £68,800<sup>240</sup> is used. The total cost for three DECLOs appointed at midpoint of band 8 would, therefore, be £206,400 (inclusive of on costs). This will be the maximum cost, since there are likely to be some costs benefits. This could include, for example, freeing up the time of healthcare professionals currently involved in co-ordinating provision.

### **Implementation costs**

#### **Welsh Government and health boards**

- 8.540 The Welsh Government has produced a job description for the DECLO role, which will be included in the ALN code. The code will have been finalised when the Bill is implemented. Any associated costs will, therefore, be sunk costs. There will be no external recruitment costs associated with the introduction of the DECLO role, since the role will be undertaken by an existing healthcare professional.
- 8.541 In the short term, there will be start-up activities to ensure DECLOs effectively bed-in within health boards. Specifically these will include multi-agency induction, training and the establishment of relevant contacts and relationships.
- 8.542 DECLOs will need to participate in multi-agency training about the shared expectations of the role and responsibilities of a DECLO. The cost of developing the training will be met through the £390,000 Welsh Government transition cost associated with developing core skills, awareness raising and

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<sup>240</sup> Based on 2016/2017 agenda for change (A4C) pay scales, midpoint band 8a to band 8c including on costs (£68,801). An individual at the level of band 8 would be required to ensure the strategic input required of the role.

developing resources. Delivery costs will be met through Welsh Government grant funding. This will be a one-off transition cost. There will be no costs to health boards as it is expected DECLOs will undertake the training within the hours allocated to undertake the DECLO role.

- 8.543 The establishment of effective relationships between health boards and educational establishments will be critical to the smooth introduction of DECLOs and to ensure maximum added value long term. As experienced health professionals with expertise relevant to ALN and ALP, DECLOs will have existing relationships with other health practitioners. Relationships with all relevant local authority officers and FEI staff will need to be established and developed. The seven DECLOs will need to make contact with officers from the local authorities that share a boundary with the health board and staff from those of the 13 FEIs that have links with the health board areas.
- 8.544 Work is underway to encourage the establishment of these relationships now, ahead of the statutory duty on health boards coming into force, through Welsh Government transition support funding<sup>241</sup> and the work of delivery partners via the Welsh Government's ALN Strategic Implementation Group. It is expected the relationships will have been developed to a large extent prior to the implementation of the Bill. Thus, it is expected any associated costs will be sunk costs<sup>242</sup>.
- 8.545 In addition, it is envisaged DECLOs will develop a support network to facilitate benchmarking, audit and quality improvement and sharing of good practice. This is likely to require a combination of face-to-face (initially two to four times per year until the services bed in, then every six months) and telephone or video conference meetings. It is estimated the total additional cost for travel

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<sup>241</sup> Specifically, the Welsh Government Innovation Fund.

<sup>242</sup> This includes the Welsh Government Innovation fund of £1,100,000 which was awarded to local authorities in 2016-17 to support the development of relationships and collaborative working (see table 5).

will be approximately £330 per year<sup>243</sup>. There will be no additional staff costs since the support network will be undertaken as part of the DECLO role.

## **Benefits**

- 8.546 Appointing a DECLO within health boards would have the benefit of facilitating both effective co-ordination within health boards to discharge their ALN responsibilities and effective collaboration between health boards and their partners in the delivery of services for learners with ALN. The DECLO would also ensure there is a single point of contact within health boards for local authorities and others on ALN matters. In addition, the appointment of the DECLO should ensure ALN provision has an appropriate strategic priority for the NHS, giving potential to improve integration of healthcare with effective and efficient provision for the learner.
- 8.547 The DECLO is expected to offer benefits to the learner by overseeing the embedding of effective practices and systems in relation to ALN and ensuring any health provision agreed by the health board is then provided. The introduction of DECLOs is also expected to facilitate the development of all-Wales standards of practice through the sharing of the evidence base, professional consensus, evaluated models, audit and quality improvement, so helping embed national equity of ALP across NHS Wales regardless of geographical location.
- 8.548 It is expected the introduction of the DECLO will result in a co-ordinated approach to ALP, which has potential to contribute to better outcomes for children as well as reduce duplication.

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<sup>243</sup> Based on LHBs meeting at Powys Teaching Health Board (PTHB), which would result in approximately 730 miles being travelled. Based on 45 pence per mile the cost to LHBs would be £ 328.50. 45 pence per mile cost is based on NHS Wales local agreement on the reimbursement of travel costs, effective from 1 January 2015 to 31 December 2017, <http://www.wales.nhs.uk/documents/NHSWalesSection17.pdf>



## **Risks**

- 8.549 Although the responsibilities of the DECLO are currently being undertaken in a dispersed way by health boards, and so are an existing resource which would benefit from better focus and organisation, there is a risk the introduction of a formal role of DECLO could have additional cost implications. Since current practices are diverse across health boards, it has not been able to estimate what, if any, these additional costs could be. This cost is, therefore, not known.
- 8.550 The vast majority of learners with ALN who require ALP delivered by NHS Wales are already receiving the support they need. It is possible, however, that by placing ALN on the strategic agenda of health boards and improving the way NHS manage ALN functions and responsibilities, the introduction of DECLOs could result in the identification of a greater need for ALP. It is not possible to quantify any potential increase in need but taking an early adopter approach to the roll out of the DECLO role should help ensure any new need is effectively planned for and managed. This cost is, therefore, not known.
- 8.551 The additional population of 18-24 year olds that now fall within the remit of ALN represent a new potential client group who have not previously received any NHS contribution to learning support. This is as yet unquantified, but is not envisaged to include many learners who have not been identified prior to age 16.

## Summary of cost and benefits of introducing the preferred options over a four-year period

- 8.552 Table 69 and Table 70 below, provide a summary of the estimated costs of the do nothing options and preferred options over a four-year period, by option and by group affected.
- 8.553 The tables present the cost of option two adjusted, where relevant, to incorporate the mid-range estimated increase or decrease in cost. Table 45, for example, sets out the estimated cost of options one and two, together with the estimated cost of option two after being adjusted to take account of the mid-range estimated reduction in cost. Rather than, for example, using the estimated total cost to local authority education services of £13,594,980 a year an adjusted estimated cost of £14,423,265 is presented, which reduces the potential saving from £1,515,970 to £687,685 a year. The estimated cost of £14,423,265 a year is used in the summary table. The purpose of doing this is to avoid overstating any potential savings.

### **Ongoing costs to public administration**

- 8.554 Overall, the regulatory impact assessment suggests there could be an additional cost of £7,853,200 over the four year period 2017-18 to 2020-21, when all cost to public administration (ongoing costs and transition costs) are taken into account. This is an additional cost of approximately £1,963,300 per year.
- 8.555 There is potential for the provisions within the Bill to realise an ongoing cost saving to public administration of £3,675,260 over the four-year period 2017-18 to 2020-21. The estimated savings in ongoing costs each year from 2017-18 to 2020-21 is approximately £918,815. As set out above, there are risks associated with the extent to which these potential savings will be realised.
- 8.556 The estimated savings are expected to be achieved from provisions in the Bill which aim to remove the current adversarial nature of the statement process.

- 8.557 As well as recognising the potential savings which could be realised from the introduction of the preferred options, the regulatory impact assessment acknowledges the extent to which the potential savings will be achieved is unknown. Thus, when calculating the savings, mid-range savings have generally been used to avoid overstating the potential savings.
- 8.558 In addition, where it has not been possible to identify the potential savings due to diverse practices likely to be put in place when implementing provisions within the Bill, illustrative savings are presented within the text, but are not then included in the summary table. This includes, for example, the potential savings which could be realised from introducing a requirement to avoid and resolve disagreements. Although, for example, it is estimated there could be savings for SENTW if ALN family support workers are put in place across Wales in response to the requirement to avoid disagreements, the Bill is not prescriptive about specific practices that should be implemented. Thus, it is not known whether the potential fall of 38 appeals per year will be realised. The potential savings of £60,800 per year have, therefore, been regarded as illustrative and not included in the summary of costs tables.
- 8.559 The regulatory impact assessment suggests local authorities will save an estimated £2,750,740 in ongoing costs over the four-year period. The saving per year from 2017-18 is estimated to be £687,685, which is an average saving of £31,258 per local authority each year. The saving is expected to be realised from reducing the controversial nature of the existing system through removing the distinction between statutory and non-statutory plans and the associated costs of providing dispute resolution services and the cost of responding to disagreements and appeals.
- 8.560 Careers Wales, which is funded by the Welsh Government, is expected to save £1,954,400 over the four-year period. The saving each year from 2017-18 is expected to be £488,600. This will be achieved by removing the requirement to undertake section 140 assessments and removing the necessity to apply to the Welsh Government for funding for independent specialist college placements. As set out in Table 5 above, the Welsh

Government will continue to fund Careers Wales for the two years 2018-19 and 2019-20.

- 8.561 There is potential for SENTW to make savings in ongoing costs of approximately £61,200 over the four-year period. The potential saving each year from 2017-18 is £15,300. This saving is dependent on the provisions to reduce the current adversary in the system realising the expected reductions in appeals. Risks to this saving being realised are discussed in detail above.
- 8.562 It is expected some organisations will incur additional ongoing costs when the provisions are implemented. This includes further education institutions which could see an increase in ongoing costs of £92,800 over the four-year period. The additional ongoing cost from 2017-18 is estimated to be £23,200 a year. This is an average ongoing cost per year of approximately £1,800 for each of the 13 further education institutions in Wales. This cost is expected to be incurred as a result of the provision to extend the scope of IDPs to include young in FE up to the age of 25, which will require FEIs to take on the additional responsibility of reviewing IDPs and responding to any disagreements which may arise. The estimated cost is considered to be the maximum since FEIs currently have college-based plans for young people with ALN. The current costs of maintaining these plans is not known and could not, therefore, be deducted from expected costs of extending the scope of IDPs to include young people with ALN in FEIs up to the age of 25. So, the potential cost is not anticipated to be fully realised.
- 8.563 Estyn is expected to incur additional ongoing costs of £172,000 over the four-year period. The additional cost from 2017-18 is estimated to be £43,000 a year. The additional cost results from the expected increase in the number of independent schools Estyn will be responsible for monitoring.
- 8.564 Health boards are expected to incur additional ongoing costs over the four-year period of £825,600. The additional cost from 2017-18 is estimated to be approximately £206,400 a year, which is £29,490 a year for each of the seven health boards. This results from the requirement for health boards to have a

strategic ALN co-ordinator. This will be achieved by employing a designated educational clinical lead officer (DECLO). This is considered to be the gross cost since health boards will already have some practices in place to co-ordinate provision. In addition, there is potential for efficiency savings where the DECLO removes any duplication which may be in the system.

### **Transition costs to public administration**

- 8.565 The total estimated cost of implementing the Bill is expected to be £11,528,460. Welsh government transition costs are £1,972,510, the remaining £9,555,950 transition costs are incurred by nine public sector bodies (see Tables 69 and 70). The Welsh Government is providing grant funding to public sector organisations over the four-year period to support the implementation of the Bill.
- 8.566 The majority of the implementation costs will be incurred from the requirement for maintained schools, pupil referral units and FEIs to employ an ALNCo who has an appropriate post-graduate qualification. The estimated cost for the current ALNCos to achieve a masters level qualification is £9,255,320.
- 8.567 The remaining £300,630 implementation costs are expected to be incurred from implementing provisions associated with IDPs, DECLOs, the registration of independent schools and post-16 special education provision.

### **Costs to parents, independent schools and dispute resolution service providers**

- 8.568 Overall, there is potential for parents to save an estimated £3,329,500 over the four-year period (see Table 71). The saving from 2017-18 is estimated to be £832,375 a year. This saving is dependent on the provisions to reduce the current adversary in the system realising the expected reductions in disagreements and appeals.

8.569 Independent schools are estimated to incur additional costs of £17,300 over the four-year period. This consists of £2,100 transition costs and £15,200 ongoing costs. The additional cost from 2017-18 is estimated to be £3,800 a year. The increase in costs is associated with the provisions which bring about changes to the registration of independent schools.

There is potential for service providers to save an estimated £293,840 over the four year period. The saving from 2017-18 is estimated to be £73,460 a year.

Table 69: cost of Bill by provision, 2016-17 to 2020-21

	Table	2016-17		2017-18	2018-19	2019-20	2020-21		
		Do nothing		Introduce preferred option					
		(£)	Total 4 yrs - do nothing	(£)	(£)	(£)	(£)	Total 4 years - preferred option	Cost difference
<b>Individual development plans</b>									
Local authority education services	Table 45	15,110,950	60,443,800	14,423,265	14,423,265	14,423,265	14,423,265	57,693,060	-2,750,740
Local authority education services	Table 46			18,200	0	0	0	18,200	18,200
Local authority social services	Table 45	489,900	1,959,600	489,900	489,900	489,900	489,900	1,959,600	0
Local authority social services	Table 46			118,700	0	0	0	118,700	118,700
Mainstream schools	Table 45	8,074,700	32,298,800	8,074,700	8,074,700	8,074,700	8,074,700	32,298,800	0

<b>Special schools</b>	Table 45	938,700	3,754,800	938,700	938,700	938,700	938,700	3,754,800	0
<b>Local health boards</b>	Table 45	2,911,700	11,646,800	2,911,700	2,911,700	2,911,700	2,911,700	11,646,800	0
<b>Careers Wales</b>	Table 45	629,500	2,518,000	274,800	274,800	274,800	274,800	1,099,200	-1,418,800
<b>SENTW</b>	Table 45	152,000	608,000	136,700	136,700	136,700	136,700	546,800	-61,200
<b>SENTW</b>	Table 45			100,900	0	0	0	100,900	100,900
<b>Further education Institutions</b>	Table 45	229,400	917,600	252,600	252,600	252,600	252,600	1,010,400	92,800
<b>Individual development plans - ongoing costs</b>		28,536,850	114,147,400	27,502,365	27,502,365	27,502,365	27,502,365	110,009,460	-4,137,940
<b>Individual development plans -transition cost</b>				237,800	0	0	0	237,800	237,800
<b>Dispute resolution</b>									
<b>Local authority education services</b>	Table 52	0	0	0	0	0	0	0	0
<b>Dispute resolution - ongoing</b>		0	0	0	0	0	0	0	0



<b>Dispute resolution - transition</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Post-16 special education provision</b>									
<b>Local authority education services</b>	Table 59	<b>0</b>	<b>0</b>	<b>12,440,703</b>	<b>12,440,703</b>	<b>12,440,703</b>	<b>12,440,703</b>	<b>49,762,812</b>	<b>49,762,812</b>
<b>Local authority education services - Welsh Government transfer</b>	Table 59	<b>0</b>	<b>0</b>	<b>-12,440,703</b>	<b>-12,440,703</b>	<b>-12,440,703</b>	<b>-12,440,703</b>	<b>-49,762,812</b>	<b>49,762,812</b>
<b>Careers Wales</b>	Table 59	<b>133,900</b>	<b>535,600</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-535,600</b>
<b>Welsh Government</b>	Table 59	<b>12,440,703</b>	<b>49,762,812</b>	<b>280</b>	<b>280</b>	<b>280</b>	<b>280</b>	<b>1,120</b>	<b>-</b>
<b>Welsh Government - transfer to local authority education</b>	Table 59	<b>0</b>	<b>0</b>	<b>12,440,703</b>	<b>12,440,703</b>	<b>12,440,703</b>	<b>12,440,703</b>	<b>49,762,812</b>	<b>49,762,812</b>
<b>Local health boards</b>	Table 59	<b>903,893</b>	<b>3,615,572</b>	<b>903,893</b>	<b>903,893</b>	<b>903,893</b>	<b>903,893</b>	<b>3,615,572</b>	<b>0</b>
<b>Local authority social services</b>	Table 59	<b>5,722,538</b>	<b>22,890,152</b>	<b>5,722,538</b>	<b>5,722,538</b>	<b>5,722,538</b>	<b>5,722,538</b>	<b>22,890,152</b>	<b>0</b>

Estyn	Table 59	48,700	194,800	48,700	48,700	48,700	48,700	194,800	0
Estyn	Table 59			9,200	0	0	0	9,200	9,200
Post-16 special education provision - ongoing		19,249,734	76,998,936	19,116,114	19,116,114	19,116,114	19,116,114	76,464,456	-534,480
Post-16 special education provision - transition				9,200	0	0	0	9,200	9,200
Registration independent schools									
Welsh Government	Table 60 and Table 65	185	740	75	75	75	75	300	-440
Estyn	Table 60 and Table 61	414,550	1,658,200	457,550	457,550	457,550	457,550	1,830,200	172,000
Estyn	Table 64			53,300	0	0	0	53,300	53,300
Local authority education services	Table 62	360	1,440	360	360	360	360	1,440	0
Registration independent		415,095	1,660,380	457,985	457,985	457,985	457,985	1,831,940	171,560

<b>schools - ongoing</b>									
<b>Registration independent schools - transition</b>				<b>53,300</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>53,300</b>	<b>53,300</b>
<b>ALNCo</b>									
<b>Mainstream schools - ongoing</b>	Table 67	<b>65,291,700</b>	<b>261,166,800</b>	<b>65,291,700</b>	<b>65,291,700</b>	<b>65,291,700</b>	<b>65,291,700</b>	<b>261,166,800</b>	<b>0</b>
<b>Mainstream schools</b>	Table 68			<b>1,503,170</b>	<b>3,006,340</b>	<b>3,006,340</b>	<b>1,503,170</b>	<b>9,019,020</b>	<b>9,019,020</b>
<b>pupil referral units - ongoing</b>	Table 67	<b>1,217,900</b>	<b>4,871,600</b>	<b>1,217,900</b>	<b>1,217,900</b>	<b>1,217,900</b>	<b>1,217,900</b>	<b>4,871,600</b>	<b>0</b>
<b>pupil referral units - transition</b>				<b>27,207</b>	<b>54,413</b>	<b>54,413</b>	<b>27,207</b>	<b>163,240</b>	<b>163,240</b>
<b>Further education Institutions - ongoing</b>	Table 67	<b>513,100</b>	<b>2,052,400</b>	<b>513,100</b>	<b>513,100</b>	<b>513,100</b>	<b>513,100</b>	<b>2,052,400</b>	<b>0</b>
<b>Further education Institutions - transition</b>	Table 68			<b>12,177</b>	<b>24,353</b>	<b>24,353</b>	<b>12,177</b>	<b>73,060</b>	<b>73,060</b>
<b>ALNCo - total ongoing</b>		<b>67,022,700</b>	<b>268,090,800</b>	<b>67,022,700</b>	<b>67,022,700</b>	<b>67,022,700</b>	<b>67,022,700</b>	<b>268,090,800</b>	<b>0</b>
<b>ALNCo - total transition</b>	Table 68			<b>1,542,554</b>	<b>3,085,106</b>	<b>3,085,106</b>	<b>1,542,554</b>	<b>9,255,320</b>	<b>9,255,320</b>
<b>DECLO</b>									

<b>Local health boards</b>	See paragraph 8.563	0	0	206,400	206,400	206,400	206,400	825,600	825,600
<b>Local health boards</b>				330	0	0	0	330	330
<b>DECLO - ongoing costs</b>		0	0	206,400	206,400	206,400	206,400	825,600	825,600
<b>DECLO - transition costs</b>				330	0	0	0	330	330
<b>Total - ongoing costs</b>		115,224,379	460,897,516	114,305,564	114,305,564	114,305,564	114,305,564	457,222,256	-3,675,260
<b>Welsh Government transition costs - costs</b>	Table 5			497,510	757,300	612,700	105,000	1,972,510	1,972,510
<b>Total - transition cost</b>				2,340,694	3,842,406	3,697,806	1,647,554	11,528,460	11,528,460
<b>TOTAL OVERALL COST</b>		115,224,379	460,897,516	116,646,258	118,147,970	118,003,370	115,953,118	468,750,716	7,853,200

Table 70: cost of Bill by organisation, 2016-17 to 2020-21

	2016-17		2017-18	2018-19	2019-20	2020-21		
	Do nothing		Introduce preferred option					
	(£)	Total 4 yrs - do nothing	(£)	(£)	(£)	(£)	Total - preferred option (inc transition costs)	Cost difference
<b>Local authority education services</b>								
<b>Individual development plans</b>	15,110,950	60,443,800	14,423,265	14,423,265	14,423,265	14,423,265	57,693,060	-2,750,740
<b>Transition cost</b>			18,200	0	0	0	18,200	18,200
<b>Dispute resolution</b>	0	0	0	0	0	0	0	0
<b>Post-16 special education provision</b>	0	0	12,440,703	12,440,703	12,440,703	12,440,703	49,762,812	49,762,812
<b>Post-16 special education provision - Welsh Government transfer</b>	0	0	-12,440,703	-12,440,703	-12,440,703	-12,440,703	-49,762,812	-

<b>Registration independent schools</b>	360	1,440	360	360	360	360	1,440	0
<b>Total local authority education services ongoing costs</b>	15,111,310	60,445,240	14,423,625	14,423,625	14,423,625	14,423,625	57,694,500	-2,750,740
<b>Total local authority education services transition costs</b>			18,200	0	0	0	18,200	18,200
<b>Local authority social services</b>								
<b>Individual development plans</b>	489,900	1,959,600	489,900	489,900	489,900	489,900	1,959,600	0
<b>transition costs</b>			118,700	0	0	0	118,700	118,700
<b>Post-16 special education provision</b>	5,722,538	22,890,152	5,722,538	5,722,538	5,722,538	5,722,538	22,890,152	0
<b>Total local authority social services ongoing costs</b>	6,212,438	24,849,752	6,212,438	6,212,438	6,212,438	6,212,438	24,849,752	0
<b>Total local authority social services - transition costs</b>			118,700	0	0	0	118,700	118,700
<b>Mainstream schools</b>								
<b>Individual development plans</b>	8,074,700	32,298,800	8,074,700	8,074,700	8,074,700	8,074,700	32,298,800	0
<b>ALNCo - ongoing</b>	65,291,700	261,166,800	65,291,700	65,291,700	65,291,700	65,291,700	261,166,800	0

ALNCo - transition costs			1,503,170	3,006,340	3,006,340	1,503,170	9,019,020	9,019,020
DECLO - ongoing	0	0	0	0	0	0	0	0
Total mainstream schools - ongoing costs	73,366,400	293,465,600	73,366,400	73,366,400	73,366,400	73,366,400	293,465,600	0
Total mainstream schools - transition costs			1,503,170	3,006,340	3,006,340	1,503,170	9,019,020	9,019,020
Special schools								
Individual development plans	938,700	3,754,800	938,700	938,700	938,700	938,700	3,754,800	0
Total - ongoing costs	938,700	3,754,800	938,700	938,700	938,700	938,700	3,754,800	0
Total - transition costs			0	0	0	0	0	0
Local health boards								
Individual development plans	2,911,700	11,646,800	2,911,700	2,911,700	2,911,700	2,911,700	11,646,800	0
Post-16 special education provision	903,893	3,615,572	903,893	903,893	903,893	903,893	3,615,572	0
DECLO - ongoing	0	0	206,400	206,400	206,400	206,400	825,600	825,600

<b>DECLO - transition</b>			330	0	0	0	330	330
<b>Total health boards - ongoing costs</b>	3,815,593	15,262,372	4,021,993	4,021,993	4,021,993	4,021,993	16,087,972	825,600
<b>Total health boards - transition costs</b>			330	0	0	0	330	330
<b>Careers Wales</b>								
<b>Individual development plans</b>	629,500	2,518,000	274,800	274,800	274,800	274,800	1,099,200	-1,418,800
<b>Post-16 special education provision</b>	133,900	535,600	0	0	0	0	0	-535,600
<b>Total Careers Wales - ongoing costs</b>	763,400	3,053,600	274,800	274,800	274,800	274,800	1,099,200	-1,954,400
<b>Total Careers Wales - transition costs</b>			0	0	0	0	0	0
<b>SENTW</b>								
<b>Individual development plans</b>	152,000	608,000	136,700	136,700	136,700	136,700	546,800	-61,200
<b>Total SENTW - ongoing costs</b>	152,000	608,000	136,700	136,700	136,700	136,700	546,800	-61,200
<b>Individual development plans</b>			100,900				100,900	100,900
<b>Total SENTW - transition costs</b>			100,900	0	0	0	100,900	100,900



<b>Further education Institutions</b>								
<b>Individual development plans</b>	229,400	917,600	252,600	252,600	252,600	252,600	1,010,400	92,800
<b>Dispute resolution</b>	0	0	0	0	0	0	0	0
<b>Post-16 special education provision</b>	0	0	0	0	0	0	0	0
<b>Registration independent schools</b>	0	0	0	0	0	0	0	0
<b>ALNCo - ongoing</b>	513,100	2,052,400	513,100	513,100	513,100	513,100	2,052,400	0
<b>ALNCo - transition costs</b>			12,177	24,353	24,353	12,177	73,060	73,060
<b>Total FEI - ongoing costs</b>	742,500	2,970,000	765,700	765,700	765,700	765,700	3,062,800	92,800
<b>Total FEI - transition costs</b>			12,177	24,353	24,353	12,177	73,060	73,060
<b>Estyn</b>								
<b>Post-16 special education provision</b>	48,700	194,800	48,700	48,700	48,700	48,700	194,800	0
<b>Post-16 special education provision - transition costs</b>			9,200	0	0	0	9,200	9,200
<b>Registration independent schools - transition costs</b>	414,550	1,658,200	457,550	457,550	457,550	457,550	1,830,200	172,000

Registration independent schools - transition costs			53,300	0	0	0	53,300	53,300
Total Estyn - ongoing costs	463,250	1,853,000	506,250	506,250	506,250	506,250	2,025,000	172,000
Total Estyn - transition costs			62,500	0	0	0	62,500	62,500
<b>Pupil referral units</b>								
ALNCo - ongoing	1,217,900	4,871,600	1,217,900	1,217,900	1,217,900	1,217,900	4,871,600	0
ALNCo - transition			27,207	54,413	54,413	27,207	163,240	163,240
Total pupil referral units - ongoing costs	1,217,900	4,871,600	1,217,900	1,217,900	1,217,900	1,217,900	4,871,600	0
Total pupil referral units - transition costs			27,207	54,413	54,413	27,207	163,240	163,240
<b>Welsh Government</b>								
Post-16 special education provision	12,440,703	49,762,812	280	280	280	280	1,120	-
Post-16 special education provision - transfer to local authority education	0	0	12,440,703	12,440,703	12,440,703	12,440,703	49,762,812	49,762,812
Registration independent schools	185	740	75	75	75	75	300	-440
Welsh Government transition costs - costs			497,510	757,300	612,700	105,000	1,972,510	1,972,510
Total Welsh Government - ongoing costs	12,440,888	49,763,552	12,441,058	12,441,058	12,441,058	12,441,058	49,764,232	680

<b>Total ongoing costs</b>	<b>115,224,379</b>	<b>460,897,516</b>	<b>114,305,564</b>	<b>114,305,564</b>	<b>114,305,564</b>	<b>114,305,564</b>	<b>457,222,256</b>	<b>-3,675,260</b>
<b>Total transition costs</b>			<b>2,340,694</b>	<b>3,842,406</b>	<b>3,697,806</b>	<b>1,647,554</b>	<b>11,528,460</b>	<b>11,528,460</b>
<b>OVERALL COSTS</b>	<b>115,224,379</b>	<b>460,897,516</b>	<b>116,646,258</b>	<b>118,147,970</b>	<b>118,003,370</b>	<b>115,953,118</b>	<b>468,750,716</b>	<b>7,853,200</b>

Table 71: cost of Bill to parents, independent schools and service providers

	2016-17		2017-18		2018-19	2019-20	2020-21		
	Do nothing		Introduce preferred option						
	Ongoing	Total 4 yrs - do nothing	Transition	Ongoing	Ongoing	Ongoing	Ongoing	Total - preferred option (inc transition costs)	Cost difference
<b>Independent schools</b>									
Registration independent schools	35,925	143,700	2,100	39,725	39,725	39,725	39,725	161,000	17,300
<b>Total</b>	<b>35,925</b>	<b>143,700</b>	<b>2,100</b>	<b>39,725</b>	<b>39,725</b>	<b>39,725</b>	<b>39,725</b>	<b>161,000</b>	<b>17,300</b>
<b>Parents</b>									
Appeals	817,550	3,270,200	0	595,650	595,650	595,650	595,650	2,382,600	-887,600
Disagreements	2,861,050	11,444,200	0	2,102,475	2,102,475	2,102,475	2,102,475	8,409,900	-3,034,300
<b>Total benefits</b>	<b>3,678,600</b>	<b>14,714,400</b>	<b>0</b>	<b>2,698,125</b>	<b>2,698,125</b>	<b>2,698,125</b>	<b>2,698,125</b>	<b>10,792,500</b>	<b>-3,921,900</b>
Appeals – extended right of appeal	0	0	0	27,300	27,300	27,300	27,300	109,200	109,200
Disagreements – extended right of appeal	0	0	0	120,800	120,800	120,800	120,800	483,200	483,200

<b>Total costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>148,100</b>	<b>148,100</b>	<b>148,100</b>	<b>148,100</b>	<b>592,400</b>	<b>592,400</b>
<b>Overall total</b>	<b>3,678,600</b>	<b>14,714,400</b>		<b>2,550,025</b>	<b>2,550,025</b>	<b>2,550,025</b>	<b>2,550,025</b>	<b>10,200,100</b>	<b>-3,329,500</b>
<b>Service providers</b>									
<b>Appeals</b>	<b>31,800</b>	<b>127,200</b>		<b>20,600</b>	<b>20,600</b>	<b>20,600</b>	<b>20,600</b>	<b>82,400</b>	<b>-44,800</b>
<b>Disagreements</b>	<b>288,710</b>	<b>1,154,840</b>		<b>212,200</b>	<b>212,200</b>	<b>212,200</b>	<b>212,200</b>	<b>848,800</b>	<b>-306,040</b>
<b>Service provider total benefits</b>	<b>320,510</b>	<b>1,282,040</b>	<b>0</b>	<b>232,800</b>	<b>232,800</b>	<b>232,800</b>	<b>232,800</b>	<b>931,200</b>	<b>-350,840</b>
<b>Appeals - extending right of appeal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,600</b>	<b>11,600</b>	<b>11,600</b>	<b>11,600</b>	<b>46,400</b>	<b>46,400</b>
<b>Disagreements - extending right of appeal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,650</b>	<b>2,650</b>	<b>2,650</b>	<b>2,650</b>	<b>10,600</b>	<b>10,600</b>
<b>Service provider total costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,250</b>	<b>14,250</b>	<b>14,250</b>	<b>14,250</b>	<b>57,000</b>	<b>57,000</b>
<b>Service provider overall total</b>	<b>320,510</b>	<b>1,282,040</b>	<b>0</b>	<b>218,550</b>	<b>218,550</b>	<b>218,550</b>	<b>218,550</b>	<b>874,200</b>	<b>-293,840</b>

Table 72: Welsh Government transition costs

	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>Total</b>
ALN Strategic Implementation Group (SIG) Expert Groups	5,000	5,000			<b>10,000</b>
Development of core skills, awareness raising and resources	100,000	50,000	135,000	105,000	<b>390,000</b>
Compliance and impact monitoring	80,000	130,000			<b>210,000</b>
Implementation project management	217,600	217,600	123,000		<b>558,200</b>
Code of practice development	76,220				<b>76,220</b>
Policy and guidance revision	18,000				<b>18,000</b>
Careers Wales		354,700	354,700		<b>709,400</b>
Post-16 specialist placements	320				<b>320</b>
Registration of independent schools	370				<b>370</b>
<b>Totals</b>	<b>497,510</b>	<b>757,300</b>	<b>612,700</b>	<b>105,000</b>	<b>1,972,510</b>

