

MIDDLESBROUGH LOCAL AUTHORITY
MEETING OF THE SCHOOLS MANAGEMENT FORUM

13th October 2021

High Needs Funding-Dedicated Schools Grant Management Plan

Summary and Recommendations

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1 Purpose

The purpose of the report is to

- a. Provide background information and up to date position on SEND and Inclusion
- b. Provide current financial position
- c. Highlight risks and pressures
- d. Present current mitigation and strategies
- e. Recommend actions
- f. Agree and initiate next steps

2 Background

2.1 The High Needs Budget has been under significant pressure for several years. The current deficit stands at £3,902,164 as of 31st March 2021

2.2 The 20/21 outturn was £827,126. The targets in the Budget Recovery Plan were not achieved overall in 20/21 financial year. This is explained further in 2.4.

	Total DSG Funding	Recoupment	After Recoupment	Deficit
	£	£	£	£
				1,883,179.71 c/fwd from 2018-19
2019-2020	23,268,079	-5,592,463	17,675,616	1,191,859.90
2020-2021	26,347,334	-5,688,168	20,659,166	827,126.67
2021-2022	29,599,912	-6,508,195	23,091,717	660,000.00 predicted
2022-2023	32,518,234	-6,979,760	25,538,474	Indicative allocation (recoupment estimate based on 2021-22)
			<u>4,562,166.28</u>	

2.3 However it must be noted that due to cost avoidance strategies and management there is a downward trend to the level of deficit incurred each year. The deficit management plan aims to bring this to a position of surplus.

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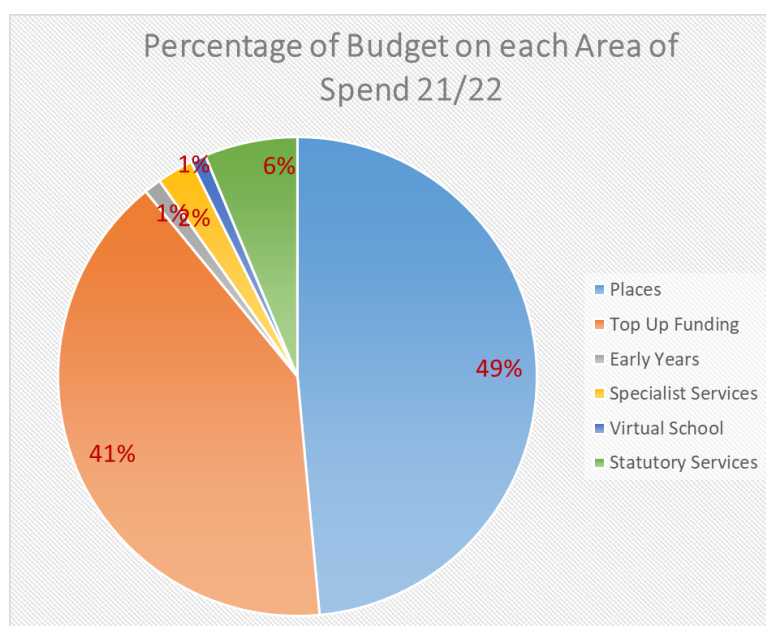
2.4 Pressure on the High Needs Budget has been incurred due to several factors these include:

- a. Increase in children and young people requiring specialist support and places
- b. Management of Permanent Exclusions and Alternative provision
- c. Continued use of Independent Provision
- d. CYP moving into the town with complex needs

2.5 As a result of this, the Local Authority are working with the ESFA to agree the strategies required to achieve a balanced position. A DSG Management Plan has been determined, and a set of actions identified. This will require regular review and amendment to ensure the actions are achieving their aims.

3 Current Financial Position 21/22 at Q2

3.1 There continues to be on going pressures within the High Needs Budget.



4 Risks and Pressures

4.1 The risks remain largely the same as they have in previous years. These risks are a combination of factors

4.2 KEY RISK 1-LACK OF CAPACITY IN SPECIALIST SETTINGS

4.2.1 This results in the use of independent special schools to meet place demand-our special schools locally can meet complex needs and are of high quality

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4.2.2 Parental Choice is a key consideration in the Code of Practice, independent places that are requested by families are harder to challenge with lack of capacity, risking tribunal challenge

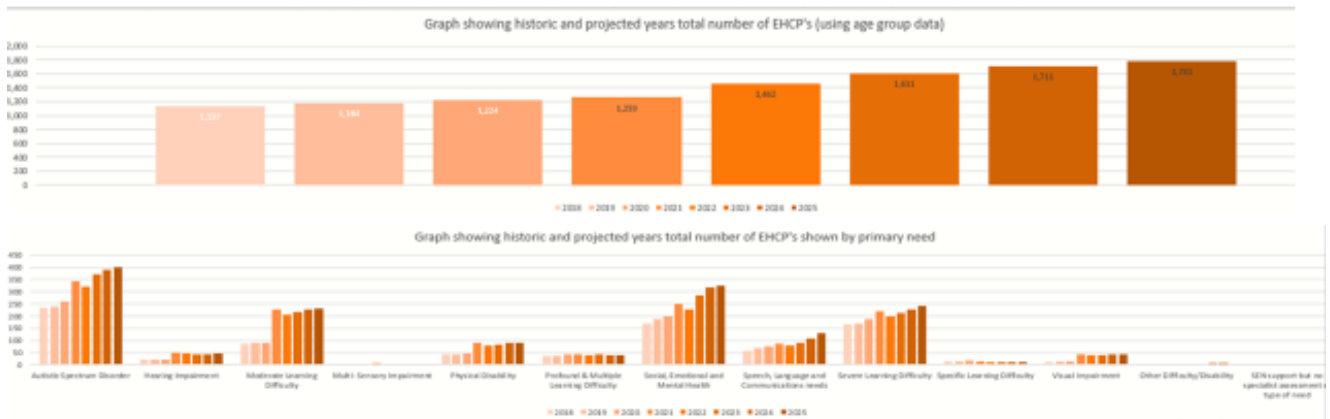
4.3 KEY RISK 2-VOLUME OF EHC AND SEN SUPPORT PLANS

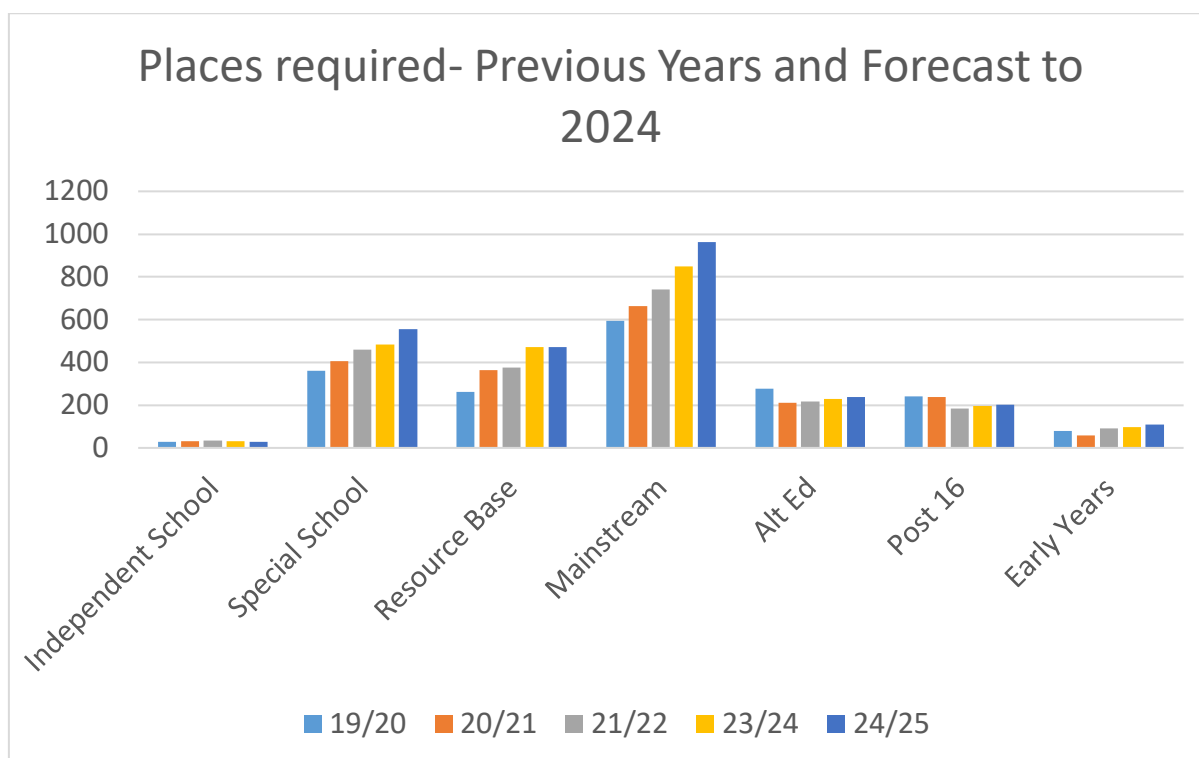
4.3.1 Our data currently shows a significant upward trend for referrals or children being identified as having a special educational need or at risk of exclusion. This means that many children will be identified as requiring specialist or alternative provision.

Increase of EHC in 2022 16%
 Increase of EHC in 2023 10%



Following years increase reduces due to inclusion approach





4.4 KEY RISK 3- Movers IN V MOVERS OUT

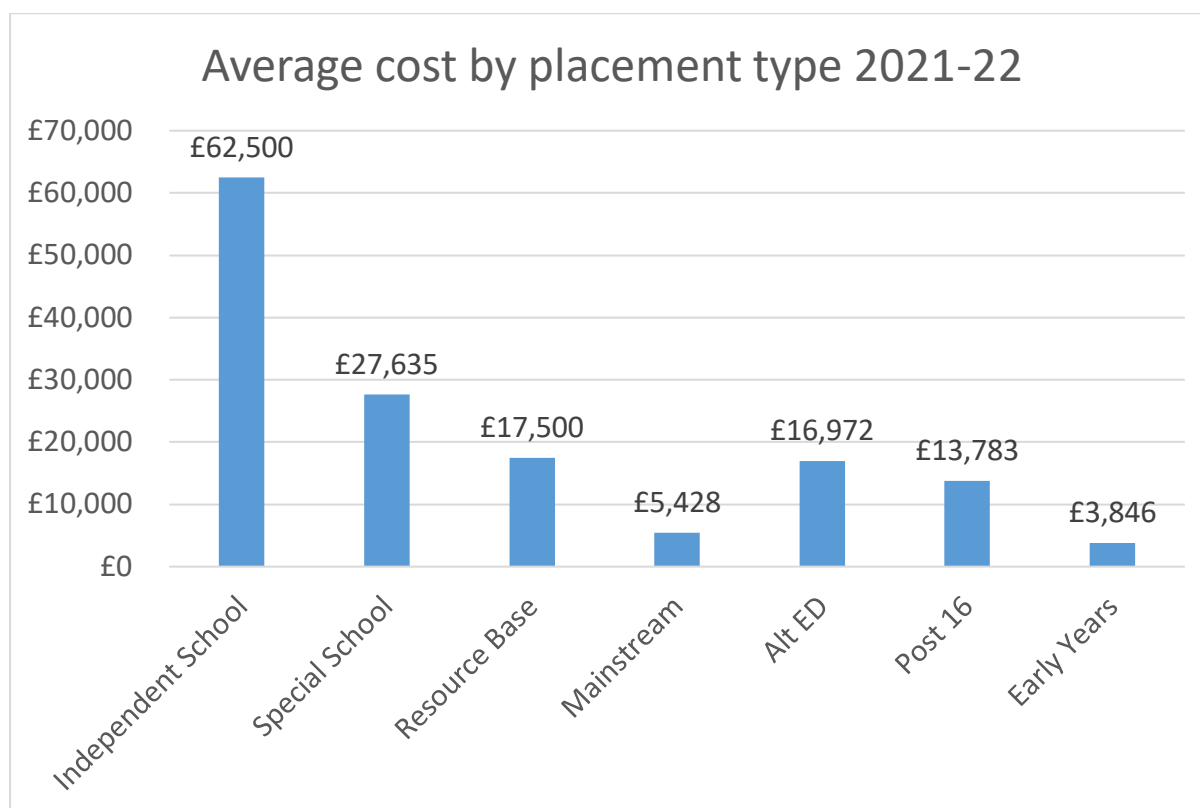
4.4.1 Middlesbrough is experiencing high levels of migration into the town from other Local Areas and Internationally. Some of these children have significant complex needs and subsequently require high cost packages.

4.4.2 Where there are health needs, contributions from health can be problematic

4.5 We anticipate that the deletion of the CSSB Historical Element will also create pressure as some costs may need to be absorbed by this budget, (Speech and Language Contract)

5 Mitigation and Strategies to manage the High Needs Budget

5.1 The primary strategy of the DSG Management plan is to ensure local sufficiency of SEND provision to prevent the use of Independent Specialist Schools to meet place demand. The average cost per head for each provision type is shown below.



5.2 The result of this is that the Local Authority spend 10% of the High Needs Budget on less than 3% of children and young people with EHCP's. That becomes 10% on 1% when you include all children and young people supported by the High Needs Block in total.

5.3 To achieve sufficiency, the Local Authority have a Special Schools designation project underway to work with all of our Middlesbrough settings on achieving sufficiency in capacity and range of provision over the next 2 years. We are also working with Schools with Resource Provision and launching further developments to provide resource provision for children and young people with SEMH. This will also include a robust workforce development strategy to ensure all staff are aware of their responsibilities and have the necessary knowledge and skills to carry them out.

5.4 To mitigate the increase in demand, Middlesbrough has realigned resources to deliver outreach and inclusion services with the intention of reducing unmet need escalating to requiring permanent exclusions or Education, Health and Care Plan Assessments. This resource includes access to advice and support from Specialist Teachers for ASD and

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SEMH, alongside Inclusion Officers and Outreach Workers that will provide direct support to children, families and settings in Early Years, Primary and Post 16.

6 Recommendations

6.1 To ensure that these strategies remain on track and achieve a balanced budget, engagement with all settings locally is vital. It is recommended that a sub –group is set up to scrutinise the detail of plans going forward. Alongside this there are other key pieces of work for key task groups to take forward. These include:

- Sub Group to support the DSG Management Plan –update report for each SMF meeting
- Monitor Value for Money in schools
- Review and Redesignation of provision for sufficiency
- Monitor cost avoidance strategies
- Set Matrix point value each year
- Monitor Alternative Provision spend and strategies via the Behaviour Partnership

7 Next Steps

- Request volunteers to go to schools and settings sit on the DSG Management group to meet half termly
- Agree members to support with Value for Money exercise
- SMF representation at Sufficiency Workstream, quality and practice groups, resource base development task group