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| Date: 16 June 2022 | Item 7 | Type of report: For Discussion |
| Report title: | High Needs Management Plan. | |
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Executive Summary

This report sets out details of the high needs management plan and the current activities and the milestones that need to be met to ensure the required savings are delivered

Schools Forum Actions

That the Schools Forum note the report

1. Background

- 1.1 The Dedicated Schools Grant (DSG): conditions of grant 2022 to 2023, requires that any local authority (LA) with an overall deficit on its DSG account at the end of the 2022 to 2023 financial year, must be able to present a plan to the Department for Education (DfE) for managing their future DSG spend, when requested.
- 1.2 The Dfe have designed a template to help LAs manage their DSG deficit management plan. While they encourage all LAs to use the template as a planning tool, it is not mandatory but they believe the format is useful when discussing and sharing complex funding information with internal and external bodies, parent and carer forums and elected members. It should be kept updated throughout the year to reflect the most recent forecast position and be viewed as an on-going live document including being presented at schools forum meetings and any high needs sub-groups at least on a termly basis. In this, there will be a standing item on the management plan at each Schools Forum meeting.

2 Management Plan detail

- 2.1 Members will have seen earlier in the papers for this meeting that the High Needs block overspent last year (2021/22) by £1.1m, the accumulated deficit is now £21.7m. The high needs sub group met on the 16 May 2022 to consider the position. The overspend is a result of the growth levels in the number of EHCP's. Currently there is an increase of 300 pupils per annum or just over 10%. If this continues for this year, which it is expected to an overspend of £2.4m will materialise.
- 2.2 While the High Needs sub-group looked at the detailed of the plan and will continue to do so, Appendix A provides an overview for ease. This shows the above £2.4m, eventually the High Needs block will to come back into balance in 2024/25 if all the savings in the recovery plan are delivered.

In the forecasts, it is assumed that

- The growth in EHCP's is at 300 per year.
- The cost of the growth in pupils is estimated at £4.5m
- The income through the settlement is 5%/3%/3% over the coming three years.

➤ The current recovery plan will deliver savings of £0.9m this year and then £2.2m and £3.1m in the following years. (The recovery plan is predicated on the fact that savings will start to be delivered in 2022/23 As the changes would only be implemented from the September 2022, it means that the savings in the first year would be small compared to the overall total of savings when the plan is in fully implemented)

➤ The schools block transfer if the Schools Forum agree will continue, but at lower level of £0.6m currently it is £1.2m, see para 2.4.

2.3 The sub group will review the delivery of the savings and also discuss further savings over the course of the year leading to the setting of next year's budgets at the January 2023 Schools Forum meeting. The sub-group has also been strengthened and a representative from FE will join the group, colleagues from Family Early Help will support the group as well. It would be helpful for any Early Year representatives on the Schools Forum to join the group

Particular focus will be around

- Reduce the demand for EHC needs assessment
- Keeping children in maintained Schools to ensure efficient use of resources and education
- SENCo support, development and training
- Early intervention to prevent needs escalating and avoid out of borough placements

Appendix B details the governance of the budget recovery plan broken down over the three current work streams the Schools Forum agreed together with the key milestones. Each lead will give a short presentation on the progress.

2.4 Discussions are also under way with the ESFA regarding Southwark becoming a safety valve funded authority. These intensive detailed planning discussions with the Department cannot rule out future block transfers, as the expectation is the High Needs block must come back into balance as soon as possible. With the current forecast and the overspend from last year there will be a need to make more savings.

The safety valve funding is where the ESFA will potentially meet some of the cost of the accumulated deficit in return for the delivery of the savings. The sole purpose of this and a shared goal of Southwark, is to ensure the High Needs block is put on a sustainable financial position going forward.

3 Progress of the work streams

The recovery plan is built currently around three work streams but this is being revised as we speak to better reflect the priorities in the SEND Strategy and to make sure we meet the requirements of the safety valve funding programme. The partnership working with the High Needs Sub-group so far has been both essential and helpful, that work will need continue.

- Pathways to adult life beyond education for 16 to 25 year olds.
- Promoting Inclusion and reducing exclusion
- ASD Education Provision Review

3.1 Workstream 1 Pathways to Adulthood for Young People with SEND:

Savings target for 2022/23: £350K

- £201K of savings to be made from working with All Age Disabilities Team and local provision to place YP, post 19, in local cost effective provision. This saving is on track and may exceed target.
- £149K of savings was due to be made by work with local mainstream sector FE colleges to consider a local banding system, looking at how college costs might be reduced. This work has yet to commence due to difficulty recruiting staff to carry out the detailed work with colleges. This project is now being reworked and the savings target for this financial year revised.
- A specific focused project is taking place with our older students who have EHCPs to transition them into adult services, in addition our All Age Disability Service and Commissioning Team are working on a User Led Organisation to provide a life skills offer for YP leaving education.
- The ultimate aim would be to develop a post 19 provision for our SEND students with the highest level of need but this is longer term goal.

3.2 Work stream 2 ASD Provision Review:

Savings target for 2022/23: £381K

- £281K of savings was to be made by opening a Spa satellite class to prevent children moving out of borough as all Spa places now full.
- The proposed site for this provision is no longer possible and Haymerle School has helpfully now agreed to expand and take these children, the building will need a refit to accommodate these children
- Haymerle are admitting at least 11 children for Sept 2022 which will save at least £258K on full year costs out of borough and currently these children are in borough nurseries or mainstream schools. This will allow the £281K saving to be made this year. This action has helpfully avoided costs growing but does not reduce expenditure.
- In addition the aim was to support mainstream schools further to meet the needs of other ASD children and prevent them having to move out of borough. There are a significant number children being supported by our mainstream schools preventing these children having to move to costly placements. This will ensure the target of £100K saving in this area is met and indeed likely exceeded. This action has helpfully avoided costs growing but does not reduce expenditure.

3.3 Workstream 3 - Promoting Inclusion and reducing exclusion

Significant savings of £700k have already been delivered in this area through strengthening the monitoring of placements and reintegration arrangements for students. A new Framework contract for Alternative Provision has also been secured which will be in place from September 2022 and is also expected to contribute towards reducing costs.

