

Report to: Schools Management Forum
From: Head of Resources for Inclusion and Support Services
Date: 12th January 2022
Title: DSG MANAGEMENT PLAN

1.0 Purpose

- 1.1 The purpose of the paper is to:
- Provide information to the School Management Forum about the purpose of the DSG Management Plan
 - Share the strategies identified in the plan to manage the deficit in the High Needs Block of the DSG
 - Seek approval for these strategies
 - Identify members of SMF to join a DSG Management Sub-Group to monitor the plan

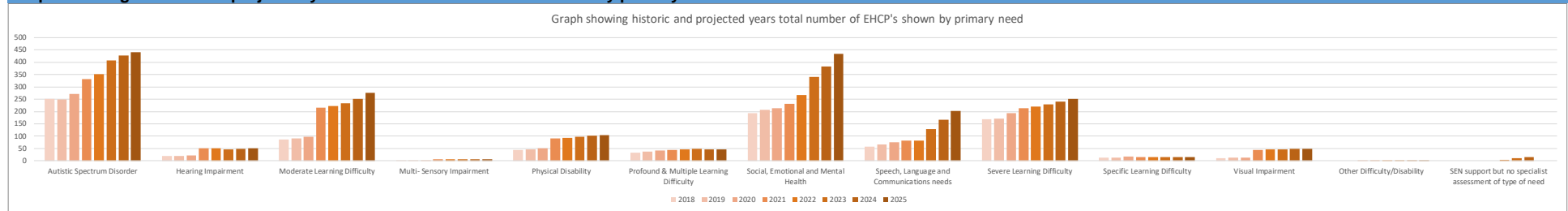
2.0 Background

- 2.1 High needs funding is provided to local authorities through the high needs block of the dedicated schools grant (DSG). Local authorities must spend that funding in line with the associated conditions of grant, and School and Early Years Finance Regulations. High needs funding is also provided directly to some institutions by the Education and Skills Funding Agency (ESFA).
- 2.2 The high needs funding system supports provision for children and young people with special educational needs and disabilities (SEND) from their early years to age 25, enabling both local authorities and institutions to meet their statutory duties under **the Children and Families Act 2014**. High needs funding is also intended to support good quality Alternative Provision for pre-16 pupils who, because of exclusion, illness or other reasons, cannot receive their education in mainstream or special schools. The high needs funding block provides local authorities with resources for place funding and top-up funding for institutions, and funding for high needs services delivered directly by the authority or under a separate funding agreement with institutions (including funding devolved to institutions).
- 2.3 The DSG Management Plan is a tool that helps us to

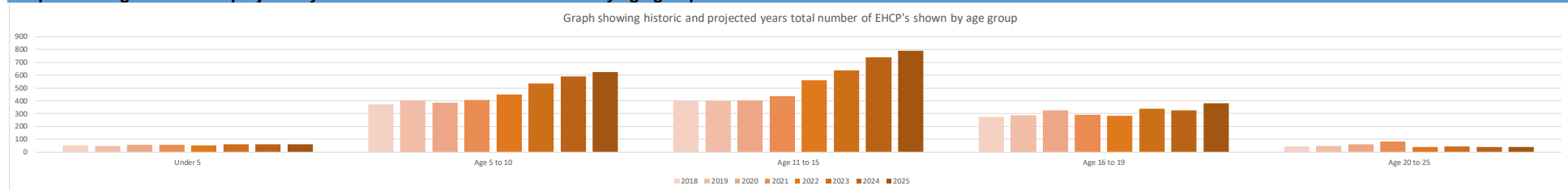
- Benchmark spend areas against other Local Authorities and England averages
- Forecast future need and likely spend against that need
- Identify mitigating strategies and track the success of these

3.0 Forecasts of needs to 2025

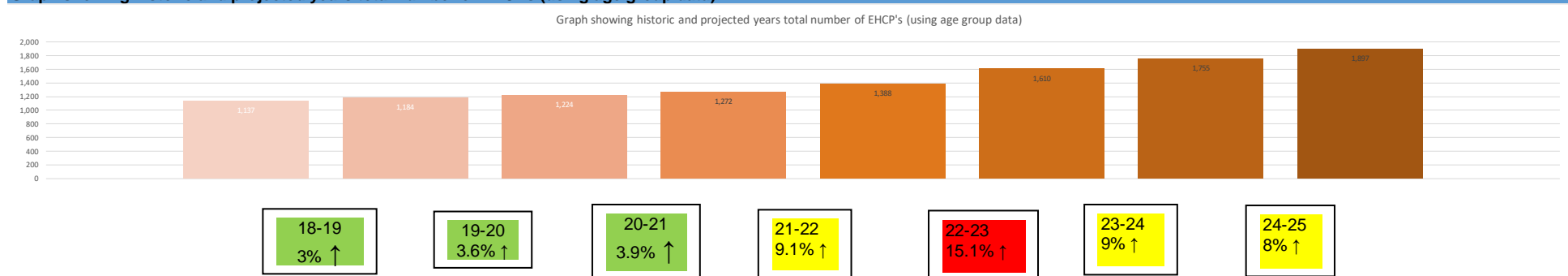
Graph showing historic and projected years total number of EHCPs shown by primary need



Graph showing historic and projected years total number of EHCPs shown by age group



Graph showing historic and projected years total number of EHCPs (using age group data)



- 3.1 The graphs above show the actual and forecasted trends of increases in Education, health and Care Plans based on latest referral and issue rates.
- 3.2 There has been a 9.1% increase in Education Health and Care plans this calendar year (21-22). From current referrals in the system, we see this rate will increase to 15.1% in 22-23.
- 3.3 Significant increases are expected in children and young people with Social, Emotional and Mental Health Needs (SEMH), Speech, Language and Communication Needs (SCLN), Autism Spectrum Disorders (ASD) and moderate learning difficulties (MLD).
- 3.4 The increase will be seen most prominently in the 5-16 age groups, and will be attending mainstream education.

4.0 Risks and Mitigations

RISK	IMPACT	MITIGATION
<p>KEY RISK 1. LACK OF CAPACITY IN SPECIALIST SETTINGS:</p>	<p>Our ASC, SLD, PMLD and SEMH places are constantly under pressure</p>	<p>Increase of places via alternative solutions</p> <ol style="list-style-type: none"> 1. FAIRFAX-satellite school of Abbey Hill Special School, creation of 8 Secondary places each year 2. RTMAT NURTURE GROUP preliminary cohort for Tees Valley Free School (SEMH) 25 places in total 3. Building extra capacity in Priory Woods-additional 8 places 4. Developing assets to create larger primary and secondary provision (split site) for ASD and SLD needs

RISK	IMPACT	MITIGATION
KEY RISK 2. TRIBUNAL CHALLENGES- leading to costly placements	Local places created but some as yet unregistered (RTMAT) which leaves us open to tribunal appeal <ul style="list-style-type: none"> • Parental choice for independent provision 	<ol style="list-style-type: none"> 1. Working with individual settings to improve engagement and reputation and working with families to explore options early to ensure they are informed of local choices 2. Help required from DFE to help manage tribunal risks-for example registration of free school early
KEY RISK 3 VOLUME AND COMPLEXITY OF EHC AND SEN SUPPORT PLANS:	<ul style="list-style-type: none"> • complexity of needs becoming more expensive to manage • volume of plans on upward trajectory exacerbated by COVID pandemic 	<ol style="list-style-type: none"> 1. Work with settings to identify economies of scale via central services and inclusion strategies 2. Review funding model to deliver stability and robust resource, retain experienced staff that can manage complexity
KEY RISK 4 MOVERS IN V MOVERS OUT	<ul style="list-style-type: none"> • movers into LA 50% more than movers out 	As above
KEY RISK 5 DOUBLING OF PERMANENT EXCLUSIONS FOLLOWING LIFTING OF COVID RESTRICTIONS	<ul style="list-style-type: none"> • Rate is double 2020 • Coincides with the relaxation of restrictions in schools (September 2021) • Usually one-off zero tolerance behaviours, knives, drugs, violence and aggression 	<ol style="list-style-type: none"> 1. URGENT work with head teachers to understand trend 2. URGENT deployment of resources to respond to demand 3. Roll-out of inclusion and outreach model already in pipeline for January 2022
KEY RISK 6	<ul style="list-style-type: none"> • £130,000 FOR NEW RADIO AID RECEIVERS FOR DEAF CHILDREN 	<ul style="list-style-type: none"> • Negotiation with suppliers and joint commissioning with Health and Social Care

5.0 Financial Impact

5.1 Using current funding models, mitigation for increases in need will impact the following cost areas:

Area of Spend	Mainstream High Needs Matrix	Special Schools	Resource Bases	Alternative and Hospital Provision	Post 16	Independent Sector	Total
2021-22	£1,500,000	£13,577,359	£3,839,000	£3,929,999	£1,997,742	£3,666,696	£28,510,796
22-23	£1,620,000	£15,336,417	£4,589,000	£5,656,550	£2,139,039	£3,370,250	£32,711,256
23-24	£2,170,800	£16,165,823	£4,589,000	£4,405,155	£2,162,913	£3,457,910	£32,951,601
24-25	£2,713,500	£17,017,356	£4,589,000	£4,431,752	£2,203,805	£3,128,374	£34,083,787

5.2 This takes into account the additional needs identified for young people at risk of and permanently excluded.

5.3 Unmitigated, these costs will escalate considerably in the independent sector (up to 68%) and lack of specialist places will place an even greater pressure on mainstream settings to manage more complex needs.

	2018-19 £,000s	2019-20 £,000s	2020-21 £,000s	2021-22 £,000s	2022-23 £,000s
Planned DSG position (surplus)/deficit	£1,683	£2,782	£3,291	£4,295	£4,341

6.0 Strategies to manage EHCP demand and pressures on inclusion

6.1 A "whole system" approach to workforce development

6.1.1 We are undertaking a full programme of data-led and consultation informed review of all CPD made available to schools to address the following trends:

- School requests for support with ASD and SEMH, creation of specialist teaching and outreach support posts
- Speech and Language deficits
- Team around the school model

This includes outreach specialists in areas of need, specialist teachers and a full cycle of training that goes beyond "awareness", programme currently being developed cross agency via Workforce Development Workstream action plan being updated, reports to SEND Strategic Group

6.2 Our Inclusion model seeks to reduce exclusion and reduce inappropriate EHCP referrals via Early Intervention. Inclusion and Outreach begins in Early Years, supporting settings with strategies to develop inclusive SEN practice and prevent cases from requiring more specialist support in later years. This is due to be expanded to cover all age ranges more comprehensively in the next academic year. The expansion is based on consultation with 50 schools in the town, identifying the support they require to improve SEND and Inclusion practice for all children in mainstream. We also seek to diversify Alternative Education so that mainstream schools are able to offer alternative curriculum models for young people who need this.

6.3 For 20-25 age range, Middlesbrough has a growing Supported Internship programme, and following this most plans cease. We see the programme as an acceleration of support into adulthood, including employment pathways and will be extending this programme to include entrepreneurship opportunities over the next 2 years. Plan for Young People aged 20-25 have been a focus for supporting into routes to work and ceasing plans where no longer required.

7.0 Benchmarking

7.1 The DSG Management Plan benchmarks outturns against other local authority areas. This benchmarking tells us that in Middlesbrough, our costs per head for mainstream and special school costs are higher than the England average, however, our spend per head for independent provision is considerably lower than the England average. This is a single year benchmark for 19-20 outturn which is currently the only data available.

8 SMF Actions

8.1 To note the content of this report and approve the DSG management plan

8.2 To act on proposals for DSG management plan monitoring via sub-group or membership on SEND Strategic Group sufficiency workstream.