

**Meeting:** Schools Forum  
**Date:** 26 January 2015  
**Subject:** Use of centrally retained Dedicated Schools Grant (DSG) in 2014/2015

**Report of:** Sue Harrison, Director of Children's Services

**Summary:** The report outlines how the centrally retained DSG has been used in 2014/15 and identifies required use of centrally retained High Needs Block for 2015/2016.

---

**Advising Officer:** Helen Redding, Assistant Director, School Improvement  
**Contact Officer:** Helen Redding, Assistant Director School Improvement  
**Public/Exempt:** Public  
**Wards Affected:** All  
**Function of:** Council

#### **RECOMMENDATIONS:**

**The Schools Forum is asked to:**

- 1. Note how the centrally retained High Needs Block has been used in 2014/2015 to support high needs provision**
- 2. Give a view on the allocation of High Needs Block for 2015/2016**
- 3. Give a view on the distribution of unspent DSG in 2014/2015**
- 4. Approve the transfer of the balance of unspent High Needs Block DSG to support capital development in specialist provisions in 2015/16.**

#### **Introduction**

The Council is required by the School Forum Regulations to report on the use of centrally retained DSG to the Schools Forum. The content of this report provides the detail of this in relation to the High Needs Block. High Needs Block is not ring-fenced.

Budget agreed in 2014/2015 and adjustments made in year following final allocations

|  | <b>Apr-14</b>     | <b>Dec-14</b>     |
|--|-------------------|-------------------|
| Early Years children with SEN and disability allocation support function | 26,011            | 26,010            |
| Area SENCos  | 121,211           | 121,210           |
| Early Years SEN Funding  | 190,000           | 190,000           |
| Therapies  | 70,000            | 70,000            |
| Statements   | 449,900           | 157,505           |
| Academy statements   | 2,967,238         | 3,480,745         |
| High Cost Pupils   | 199,900           | 199,900           |
| Out of County Placements   | 1,689,330         | 1,689,330         |
| SEN and Additional Pupil Support   | 198,850           | 198,850           |
| High needs Post 16   | 1,761,601         | 1,761,600         |
| Access and Inclusion   | 76,705            | 76,710            |
| Virtual School   | 200,000           | 200,000           |
| Commissioned Services  | 2,255,601         | 2,255,600         |
| Other Authority Top Up Payment   | 1,043,882         | 1,043,880         |
| SEN Outreach   | 275,670           | 275,670           |
| DSG Contribution to Central overheads                                    | 718,846           | 719,280           |
| <b>High Needs Contingency</b>  | 851,470           | 1,129,263         |
| <b>Total</b>   | <b>13,096,215</b> | <b>13,595,553</b> |

**Services funded by High Needs Block**

**Early Years Children With Disabilities retained panel and support function (£26,010)**

1. The panel process and support function has been retained centrally, and ensures that children are allocated support when required. This element of DSG supports the salary costs of the member of staff who coordinates this process as well as administering and supporting the process for pupils who are of school age (SEN and additional pupil support).

**Early Years Area Special Educational Needs Co-ordinators - SEND Team (£121,210)**

2. This currently supports 2 Area Special Educational Needs Coordinators who support Early Years settings in meeting the needs of children with SEN and Disabilities. Numbers are increasing and due to increase further with the local growth in the population.

3. The recently published Save The Children report as part of *Read On. Get On* – a national mission to get all children reading well by age 11 by 2025 showed that poor children are being left behind in reading in all parts of the country. South West Bedfordshire falls in the bottom 50 of all English constituencies for poor children's reading ability. This covers Leighton Buzzard, Dunstable and Houghton Regis as well as the villages of Bidwell, Great and Little Billington, Chalgrave, Eaton Bray, Eggington, Heath and Reach, Hockliffe, Kensworth, Rushmere, Sewell, Stanbridge, Studham, Tebworth, Tilsworth, Totternhoe, Whipsnade and Wingfield. The report recognises the importance of early language in the early years in influencing improving literacy at end of Key Stage 2.
4. Within Central Bedfordshire, the widest FSM attainment gaps in the Early Years Foundation Stage can be seen in the literacy goals of reading and writing, with a 26 and 25 percentage point attainment gap when comparing pupils eligible for free school meals and all others.
5. Central Bedfordshire is recruiting an additional Area SENCo to support settings in improving language and literacy to support this drive for improvement. This requires an increase in this budget to £181,210.

#### **Other Functions supported by High Needs Block**

6. **Support for high needs 3 and 4 year olds in early years settings:** £190,000 supports children in settings and nurseries with high needs who do not yet have an EHC Plan, but require additional support to meet their needs. £150,050 has been spent to date, but this is forecast to fully spend following Spring term allocations.
7. **Therapies:** £70,000 is used to support therapies such as Speech and Language Therapy and Occupational Therapy where it has been specified as an assessed need on a Statement of SEN that therapy is required on a more regular basis than can be accessed through Health Services. This is a needs led budget. £35,000 has been allocated to date, but with Spring Term payments and any new referrals it is expected to increase by the end of the financial year. The demand on this budget is forecast to increase with the introduction of the Special Educational Needs and Disability Reforms.
8. **Statements/EHC Plans:** £449,900 DSG is used to fund new statements in all schools across the year. This is a needs led budget and is monitored monthly. £292,395 has been allocated up to December 2014. Budget is moved to Academy statements as schools become Academies. We are reviewing the way in which EHC plans are funded, linked to identified provision to meet assessed need rather than banding levels. 37 statements/EHC Plans are due to be made final between December 2014 and March 2015. Funding will be pro rata. Requests for Statutory Assessment have remained at similar levels. This budget is forecast to underspend by £75k.
9. **Academy statements/EHC Plans:** £3,480,745 is used to fund the cost of statements/EHC Plans in Academies. This is a needs led budget and is monitored monthly. £2,618,105 has been allocated to date, with spring term payments yet to be allocated. This budget will fully spend. We are reviewing the way in which EHC plans are funded, linked to identified provision to meet assessed need rather than banding levels.

10. **High Cost pupils:** £199,900 supports the additional exceptional needs of the most complex pupils in our special schools who have evidenced assessed needs that requires additional support to maintain them in our local special school provision (for example additional Teacher Assistant support for our most challenging pupils). This is a needs led budget. £166,098 has been allocated to date, and it is expected that more pupils will require additional support during the Spring Term. As more pupils are staying in local provision, the call on this budget will increase. In order to support the special schools in retaining pupils in Central Bedfordshire, consideration is being given to recruiting to an additional role to work across the schools in meeting the needs of the most challenging pupils. Approximate costs are £50k.
  
11. **Pre 16 Out of County Placements:** £831,134 is allocated to date to fund Out of Authority Specialist Placements. Some of these pupils have been placed as we have been unable to meet needs locally, and some are at the direction of the SEN and Disability Tribunal (SENDIST). Health and Social Care services pay a contribution towards some placements. Currently there are 13 pupils who are 16 and under placed out of Authority by education, 2 by Social Care and 1 by Health where DSG funds the education element. 4 of these pupils transferred into post 16 provision in September 2014 and so only the term in which they were in Year 11 is funded from this budget. Of the education led placements, we receive a health contribution to 1 pupil, and a social care contribution to 2 pupils. Post 16 pupils are funded through the Post 16 Cost Centre. While this is currently underspending, it is offsetting an overspend in the Post 16 high needs budget which is a set figure allocated by the DfE/EFA and is insufficient to meet Post 16 costs. Historically, Pre 16 DSG has supplemented insufficient Post 16 funding for High Needs pupils. Based on knowledge of current pupils and their transitions, estimated spend in 2015/2016 is £536,084. This does not account for any new placements.
  
12. **Additional Pupil Support:** £198,850 is allocated to support pupils with additional needs for fixed periods of time. Many of these pupils are undergoing statutory assessment and this budget supports schools in supporting these pupils' needs until the end of this process. A significant number of pupils who require this support are at risk of permanent exclusion, and specialist agencies are always involved. Any new requests get approved at Panel. Additionally this budget funds any educational provision for pupils in Independent Hospital facilities. There have been 4 pupils in this type of provision this financial year.
  
13. **High needs Post 16:** £1,761,600 This function and budget was transferred to Councils in April 2013. This budget funds all provision for pupils who are post 16 and with high needs, including out of authority placements, top up funding for statemented pupils who are placed in other Local Authorities' schools, high needs college and post school placements, including independent specialist providers. There are currently 13 post 16 pupils in out of Authority Independent or Non-Maintained Special Schools. Current costs for these pupils are £1,530,450. Based on knowledge of current pupils and their transitions, estimated spend for just the Out of Authority Independent Special School places in 2015/2016 is £1,248,322. This does not account for any new placements. 14 pupils are accessing mainstream school or special schools in neighbouring Authorities' schools at a current cost of £144,095. With college costs, this budget is forecast to overspend by £896,000 which is offset by the underspend in the Out of County budget.

14. The amount allocated to Post 16 Provision is determined by the Education Funding Agency, and Pre 16 DSG has historically supplemented the shortfall. Showing the overspend against the Post 16 allocation enables us to monitor the true costs of Post 16 provision and report this accurately. With the implementation of the SEND Reforms, which enables provision for young people with SEND up to the age of 25, the spend against this budget is likely to increase.
15. **Access and Inclusion:** £76,710 supports the staffing costs of the management of advice and process for exclusions and elective home education. The Inclusion Support Officer works part time, and so a second member of staff covers the post for the other two days. The cost of this is £25,000, and so the budget has been increased accordingly for 2015/16 to cover this.
16. **Virtual School management and delivery:** £200,000 supports the staffing costs and functions of the Virtual School for Looked After Children. The Virtual School is now responsible for supporting Looked After Children pre school and post 16 and ensuring that outcomes improve and all Looked After Children access further education, employment or training. In order to meet this requirement, an additional Personal Adviser has been recruited to support the age group. The Virtual School will contribute 50% of this post. Current Education Advisers have increased their hours to meet the pre school demand. The budget will therefore increase to £217,000.
17. **Commissioned Services:**  
£2,255,600 supports the costs of commissioned services to schools and other providers. All High Needs teaching and support services that were previously centrally retained are now commissioned out to school based providers. A performance management schedule has been developed with providers to support the monitoring of the contracts.
18. **Hearing Impairment Service**  
£195,632 was allocated for the peripatetic and management element of the Hearing Impaired Service commissioned through The Harlington Area Schools Trust (HAST). HAST were able to employ a part time peripatetic teacher from September 2014, so there have only been part year costs for this element. A Speech and Language Therapy Assistant post has also been agreed which is currently being recruited to. The annual cost of what has been approved and implemented to date is £155,482 due to additional teacher costs being seven twelfths of the year. The new contract cost for 2015/2016 will be £195,000. Caseload numbers will continue to be reviewed regularly through the contract monitoring process.
19. **Visual Impairment Service**  
£252,576 funds the contract for this service which is delivered through HAST. The Council is currently in discussion with neighbouring Local Authorities regarding support for our children attending schools in other Local Authority areas. In previous years this has been managed on a quid pro quo arrangement, but some Authorities are moving away from this. This may lead to additional service costs which will need to be added to the current contract.
20. **Early Years Children with Disability Service**  
£270,548 funds the Early Years Children with Disabilities Service commissioned through Ivel Valley and Chiltern Area Special Schools.

21. **Medical Needs Service**  
£467,539, plus estimated £67,000 held centrally outside of the contract to support actual supply costs to meet additional demand for the Medical Needs Service commissioned through HAST. The contract delivery has been reviewed in the light of the change in regulations, and it has been agreed to increase the contracted teachers by 3.5 to accommodate this and ensure we meet the required hours. The Guidance is overdue an update, but the number of hours is unlikely to change. This has increased the contract value to £643,890. This will improve provision, and reduce supply. Additional hours, if required, will continue to be supported through supply cover outside of the contract. A contingency of £15,000 is recommended for this. HAST are considering more flexible methods of delivery. As part of the contract review, where pupils are accessing the service long term, consideration is being given to HAST invoicing for the pupil element from the school where the pupil is on roll for that period.
22. **Jigsaw Centre**  
The contract price has increased to £464,731 to reflect the increasing demand on the service. Work will be undertaken in 2015 to develop a hub and spoke model of delivery linked to schools in other areas of Central Bedfordshire.
23. **Academy of Central Bedfordshire**  
This is subject to a separate paper from the Governing Body of the Academy of Central Bedfordshire. Their case is supported by the Council and will ensure future stability of the provision.
24. **Other Authority Top-Up payments (Pre-16)** £1,043,880. This budget is used to fund mainstream statements in other Local Authorities' schools, and the top up element of the statement for pupils placed in other Local Authorities' special schools. There are currently 97 pupils who are pre 16 accessing schools across the local borders. Costs of these places are currently at £997,513.
25. **SEN Outreach:** £275,670 supports the provisions of Outreach Services from Special Schools and other identified excellent SEN practice
26. **DSG contribution to Central Overheads:** £718,846 is allocated to central overheads to support DSG related functions.
27. The High Needs Block will be finalised by the DfE in March 2015. This will provide information on the allocation for Post 16 and Pre 16, and will enable the figures proposed for 2015/2016 to be finalised. This will then determine the balance to be allocated to statementing.
28. The Council is now required to report on the number of specialist places commissioned from Special Schools and Specialist Provisions. The number of places commissioned from Central Bedfordshire Special Schools is set out below.
- Ivel Valley Area Special School - 155
  - The Chiltern Area Special School - 172
  - Oak Bank School – 66
  - Weatherfield Academy – 124

TOTAL: 517

Numbers of pupils agreed for each school as at January 2015:

- Ivel Valley Area Special School - 148
- The Chiltern Area Special School - 166
- Oak Bank School – 63
- Weatherfield Academy – 116 (plus 2 agreed to start Sept 15)

All schools admit children throughout the year. Special Schools have seen an increase in pupils with more complex needs who are allocated funding at the higher banding levels. Place numbers are being reviewed in the light of the population growth over the next few years. Building capacity is also being considered. Special School Leaders are working with the Council to develop a vision and 5 year plan for special schooling in the light of this and the SEND reforms.

29. Oak Bank School is currently considering extending their age range to include Post 16 provision for those pupils who need it. Meetings are being held with Oak Bank School to determine whether additional places need to be commissioned for pre-16 pupils.
30. 54 places are currently commissioned across phases for pupils with Autistic Spectrum Condition requiring specialist provision in mainstream schools. We have commissioned 4 additional places at Manshead School for 2015/2016 to reflect their secondary status, and will be re-commissioning primary provision in the area for September 2016, when Streetfield Middle School is due to close.
31. With the growth in the population in the Leighton Buzzard area, demand for additional places will be reviewed in this area during 2015.
32. 12 places are currently commissioned in BESD Provision linked to Lower Schools. Pupils who continue to require specialist provision in Year 5 and beyond are able to transfer to Oak Bank in Year 5. While there is pressure on places in these provisions, this is mainly due to another Authority placing children in one of these provisions. (Silsoe Lower School and Lancot Lower School)
33. 16 places are commissioned for resourced provision for children with Speech and language needs in 2 lower schools. (Heathwood Lower School and St Andrews Lower School).
34. 20 places are commissioned across the 3 phases as resourced provision for hearing Impaired pupils. (Toddington St Georges, Parkfields and Harlington Upper).
35. The difference between the High Needs Block allocation in 2014/2015 and the forecast spend is £1,233,362 (see table in paragraph 36). £1M will be transferred to the Schools Block and redistributed to maintained schools and academies on a one off basis via the AWPU through the funding formula for 2015/2016. The remaining balance in 14/15 and unspent reserves from previous years (£716k) is proposed to be transferred to support capital development in specialist provisions in 2015/2016.

## Centrally retained High Needs Block in 2015/2016

36.

|  | <b>Final DSG<br/>2014/15</b> | <b>Allocated<br/>spend to<br/>date</b> | <b>Forecast<br/>to Year<br/>End</b> | <b>Initial<br/>15/16</b> |
|--|------------------------------|--|-------------------------------------|--------------------------|
| Early Years children with SEN and disability allocation support function | 26,010                       | 26,010                                 | 26,010                              | 28,000                   |
| Area SENCOs  | 121,210                      | 121,210                                | 121,210                             | 181,210                  |
| Early Years SEN Funding  | 190,000                      | 150,050                                | 190,000                             | 190,000                  |
| Therapies  | 70,000                       | 35,000                                 | 50,000                              | 70,000                   |
| Statements/EHC Plans   | 449,900                      | 292,395                                | 374,900                             | 449,900                  |
| Academy Statements/EHC Plans   | 3,480,745                    | 2,610,559                              | 3,480,745                           | 3,480,745                |
| High Cost Pupils   | 199,900                      | 159,050                                | 199,900                             | 250,000                  |
| Out of County Placements (Pre 16)  | 1,689,330                    | 831,134                                | 831,134                             | 900,000                  |
| SEN Additional Pupil Support   | 198,850                      | 120,000                                | 198,850                             | 198,850                  |
| High needs Post 16   | 1,761,600                    | 2,551,684                              | 2,657,064                           | estimated<br>1,761,600   |
| Access and Inclusion   | 76,710                       | 76,710                                 | 76,710                              | 101,710                  |
| Virtual School   | 200,000                      | 200,000                                | 200,000                             | 217,000                  |
| Commissioned Services  | 2,255,600                    | 2,243,710                              | 2,255,600                           | 2,552,745                |
| Other Authority Top Up Payment   | 1,043,880                    | 997,513                                | 997,513                             | 1,043,880                |
| SEN Outreach   | 275,670                      | 275,670                                | 275,670                             | 275,670                  |
| DSG Contribution to Central overheads                                    | 719,280                      | 719,280                                | 719,280                             | 719,280                  |
| High Needs Contingency   | 1,129,263                    | 0                                      | 0                                   | 851,470                  |
| <b>Total</b>   | <b>13,887,948</b>            | <b>11,409,975</b>                      | <b>12,654,586</b>                   | <b>13,272,060</b>        |

37. The High Needs Block settlement for 2015/2016 will not be received from the DfE until March 2015. The balance will be held in contingency and applied where it is required in 2015/2016. The following issues will be taken into account

- The resource implications of changes in SEND provision through the implementation of the Children and Families Act in 2014 is determined.
- The development of the Hub and Spoke model for the Jigsaw Centre.
- The implications of the development of Central Bedfordshire's vision for Special Schooling and Specialist Provision, including capital costs.
- How the EFA plans to top slice Local Authorities and whether that will impact on the initial settlement.
- How the EFA plans to apply growth in 2015/2016.

38.

**Summary Commissioned Services**

The table below sets out the centrally retained High Needs Block to be paid to schools for commissioned services through a contract (continuing commissions). All contracts are monitored termly.

|   | 2014/2015  | 2015/2016         | Comment  |
|---|--|-------------------|--|
| HAST Hearing Impairment Service peripatetic element                 | £195,632   | £195,000          | Additional Teacher of Deaf (part time) and Speech and Language Therapy Assistant recruited   |
| Jigsaw Centre (Hawthorn Park)                                       | £414,645   | £464,731          | This will be reviewed in 2015/2016 with the development of a hub and spoke model linked with the new site at St Andrews in Biggleswade and the relocated BESD Provision at Silsoe... |
| Early Years Children With Disability - Ivel Valley and The Chiltern | £270,548   | £270,548          |  |
| HAST Medical Needs Service  | £467,539<br>plus<br>£67,000<br>held<br>centrally<br>outside of<br>the contract<br>to support<br>the actual<br>supply<br>costs. | £643,890          | Contingency will be used if there is a requirement to access additional supply to meet demand for additional hours   |
| HAST Visual Impairment Service                                      | £252,576   | £252,576          |  |
| Academy of Central Bedfordshire                                     | £581,461   | £726,000          |  |
| <b>Total</b>  | <b>£2,249,401</b>  | <b>£2,552,745</b> |  |

**Summary**

All spending using DSG is carefully monitored to ensure it is spent appropriately and in line with the requirements that are set out in the School Funding Regulations. Some elements are needs led and are reviewed monthly. Unspent High Needs Block is now released and redistributed to schools in the following year.