
Meeting:	Schools Forum
Date:	14 March 2016
Subject:	Use of centrally retained Dedicated Schools Grant (DSG) in 2015/2016
Report of:	Sue Harrison, Director of Children's Services
Summary:	The report outlines how the centrally retained DSG has been used in 2015/16 and identifies requirements for centrally retained High Needs Block for 2016/2017. This does not include the contracts budget due to the review of some of these contracts. This was reported in January 2016, and a verbal update will be provided on progress.

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

RECOMMENDATION(S):

The Schools Forum is asked to:

- 1. Note how this element of centrally retained High Needs Block has been used in 2015/2016 to support high needs provision.**
- 2. Agree that any unallocated High needs Block is carried forward into 2016/2017 and allocated to the rolling Special Educational Needs and Disability (SEND) Capital Programme to support the delivery of SEND Vision (currently under review) and its priorities.**
- 3. Give a view on the allocation of High Needs Block for 2016/2017.**
- 4. Agree that any unallocated High Needs Block in 2016/2017 be allocated to High Needs Contingency to be allocated following completion of review of Top Ups, Contracts and Outreach.**

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. It was agreed by the High Needs Block Technical Sub Group that the High Needs Block would be reported in 3 separate reports. For clarity, summary information on all elements of the High Needs Block have been included in this report. A full report on the review of Contracts came to Schools Forum in January 2016.

Budget agreed in 2015/2016 and forecast spend at year end.

	Apr-15	Mar-16
Early Years children with SEN and disability allocation support function	28,000	28,000
Early Years SEN Advisory teachers	181,210	175,947
Early Years SEN Funding	190,000	240,000
Therapies	70,000	36,000
Statements	449,900	479,900
Academy statements	3,335,446	3,480,391
Special School Outreach and High Cost Pupils	525,670	579,913
Out of County Placements	900,000	739,136
SEN and Additional Pupil Support	198,850	242,358
High needs Post 16	1,761,600	2,055,667
Access and Inclusion	101,710	82,875
Virtual School	217,000	217,000
Other Authority Top Up Payment	1,043,880	843,942
Total	9,003,266	9,201,129

HN Contingency	1,145,590	660,738
DSG Contribution to Central overheads	719,280	719,280
Commissioning contracts	2,552,744	2,679,186
Total	13,420,880	13,260,333

Services funded by High Needs Block

Early Years Children With Disabilities retained panel and support function

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 SEND Advisory Teacher (new title) - SEND Team

2. This Service was reviewed, and additional capacity recruited to as reported to Schools Forum in January 2015. One post holder was recruited to and started in November 2015. An existing member of the team reduced her hours in January to 0.4. We were unable to recruit to 0.6 and so agreed to recruit to a full time position to support the growing numbers. The second post holder started in January.
3. Due to delays in recruitment this budget is forecast to underspend by £5,263 in 2015/2016.
4. The increase in service requires an increase in budget of £18,790 to £200,000 in 2016/2017.
5. This Service will support the School Readiness priority in the Partnership Vision For Education Programme.

Other Functions supported by High Needs Block

6. **Support for high needs 3 and 4 year olds in early years settings:** This budget 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. This budget is forecast to spend £240,000 by the end of March (the end of February position is £230,273). It is proposed that this budget increases to £250,000 for 2016/2017.

7. The Technical Sub Group of the High Needs Block agreed that consideration should be given to getting clarity on the spending approved through the Early Years Reference Group to support inclusion. They agreed that it would be more transparent if these processes could be streamlined into 1 and the budgets used to support this process be clearly identified to support this activity.
8. **Therapies:** This budget 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 or EHC Plan that therapy is required on a more regular basis than can be accessed through Health Services. This is a needs led budget. £36,000 has been allocated to date. There is currently a review of SALT services being undertaken which is likely to be broadened to include a similar approach to reviewing OT and Physio contracts. It is proposed to reduce this budget to £50,000 in 2016/2017.
9. **Statements/EHC Plans:** This budget is used to fund new statements in all schools across the year. This is a needs led budget and is monitored monthly. Budget is moved to Academy statements as schools become Academies. This budget is forecast to overspend by £30,000. This is the first time this budget has ever overspent.
10. Requests for assessment increased by 100% in the Autumn Term 2015 compared to the same period in 2014, with a similar increase seen in the Spring term. Thresholds for assessment have not changed, but it would seem that schools have got better at using the Graduated Response Guidance to support their process and evidencing applications, as well as there having been an increase in the population.
11. We are reviewing the way in which EHC plans are funded, linked to identified provision to meet assessed need rather than banding levels. Any changes will be implemented for September 2016.
12. Given the above, the suggested budget allocation initially for 2016/2017 is £500,000. This can be moved from High Needs Block Contingency. This can be adjusted balanced from High Needs Contingency once the work has been completed to review the Top Up rates.
13. **Academy statements/EHC Plans:** This budget is used to fund the cost of statements/EHC Plans in Academies. This is a needs led budget and is monitored monthly. Academies are paid termly, and money is moved from the Statementing budget to this cost centre against actual predicted spend. This budget will be amended for 2016/2017 balanced from High Needs Contingency once top up values have been agreed.
14. **Special School Outreach and High Cost pupils:** This budget supports commissioned outreach from special schools (£192,216) as well as 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. This budget is overspending due to the complex needs of some of the pupils being maintained in our special schools, and the increased demand on places at Oak Bank School. It is proposed to increase this budget to £600,000 in 2016/2017.
15. **Pre 16 Out of County Placements:** This budget is allocated 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 10 pupils who are 16 and under placed out of Authority by education, and 4 by Social Care where DSG funds the education element. Of the education led placements, we have received a health contribution to 1 pupil, and are reviewing social care contributions to others. 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.
16. **Additional Pupil Support:** This budget is allocated to support pupils with additional needs for fixed periods of time. Many of these pupils are undergoing statutory assessment or may need to undergo assessment imminently, 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 had been a reduction in pupils requiring Tier 4 provision in year, but these numbers are increasing again. There has been 16 pupils accessing Tier 4 intervention requiring education this financial year. The cost of education for these pupils has been £62,911 to date. This budget is forecasting to overspend by £43,508, and it is proposed to increase this budget to £270,000 for 2016/2017.

17. **High needs Post 16:** 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. With all Post 16 costs, this budget is forecast to overspend by £294,067 which is offset by the underspend in the Out of County budget and other cost centres.
18. There are currently 11 post 16 pupils in out of Authority Independent or Non-Maintained Special Schools. Current costs for these pupils are £1,388,558. 10 pupils are accessing mainstream schools or special schools in neighbouring Authorities' schools at a current cost of £85,991.
19. The amount allocated to Post 16 Provision was until recently 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.
20. **Access and Inclusion:** This budget supports the staffing costs of the management of advice and process for exclusions and elective home education.
21. **Virtual School management and delivery:** This budget supports the staffing costs and functions of the Virtual School for Looked After Children (LAC). 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. Currently there are 34 pre-school children, 187 LAC pupils of statutory school age, and 50 pupils in Post 16.
22. The Service has been restructured to ensure that the Head of the Virtual School has strategic responsibility for vulnerable pupils who may be on the edge of care as well as for children in care. A Team Leader has been appointed to ensure capacity to deliver the Virtual School Role in full. The additional Personal Adviser recruited to support the age group last year is having a significant impact, and the Virtual School contributes 50% of this post.
23. In order to cover the costs of these staffing changes, the Virtual School budget is proposed to increase to £283,210
24. **Other Authority Top-Up payments (Pre-16)** 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 96 pupils who are pre 16 accessing schools across the local borders. Costs of these places are currently at £960,474. This cost centre includes accrued income from previous year.
25. **DSG contribution to Central Overheads:** This is allocated to central overheads to support DSG related functions.
26. The forecast unallocated High Needs Block contingency in 2015/2016 is £484,852. This will be carried forward to 2016/2017 and is proposed to be allocated to SEND Capital to support increasing demand for places in specialist SEND provision.
27. The High Needs Block is usually finalised by the DfE in Quarter 1. This will provide information on the allocation, and will enable the figures proposed for 2016/2017 to be finalised. This will then

determine the balance to be allocated to High Needs Contingency to be allocated following review of contracts, outreach and top up payments.

Proposed centrally retained High Needs Block in 2016/2017

28.	Initial 16/17
Early Years children with SEN and disability allocation support function	28,000
EY Advisory teachers	200,000
Early Years SEN Funding	250,000
Therapies	50,000
Statements/EHC Plans	500,000
Academy Statements/EHC Plans	3,652,497
Outreach and High Cost Pupils	600,000
Out of County Placements (Pre 16)	900,000
SEN Additional Pupil Support	270,000
High needs Post 16	1,761,600
Access and Inclusion	101,710
Virtual School	283,210
Other Authority Top Up Payment	1,043,880
DSG Contribution to Central overheads	719,280
High Needs Contingency*	1,026,983
Commissioning	2,552,744
Total	13,939,904

29. The indicative High Needs Block DSG for 2016/2017 was announced in December 2015.
The 2016/17 High Needs Block includes:
- The High Needs Block base line for 2015/16 plus:
 - Additional top-up of £92.5M allocated on the basis of the 2-19 aged population projections for 2016 in each LA.

The table below illustrates the DSG revenue allocation for 2016/17.

High Needs Block	2016/17 Allocation (M)
Base line	25.335
Additional top-up	0.460
Total Indicative DSG	25.795

30. Special schools budget have been published on learning portal on 19 February 2016. They have been calculated based on the agreed place numbers for each school and academy. Table below shows the total allocation for 2015/16 and 2016/17.

	2015/16	2016/17	Diff
CBC Allocation	6,904,973	7,475,298	570,325

The above allocation does not include top-ups to be received from other LAs and place funding for academies which is paid directly from EFA. This increase is due to increase of places allocated for 2016/17, total increase of 57 places.

31. The EFA have reduced the place numbers at Weatherfield Academy for pre 16 pupils, but have not allowed an increase in the number of places at Post 16. The Council will therefore fund the place and top up funding for the Weatherfield Post 16 pupils from High Needs Contingency. The EFA will not top slice the place funding for these additional pupils. Numbers are being agreed with the school.

32. Oak Bank have been approved by the EFA to retain pupils into 6th Form. Place funding and top up for these pupils will be allocated from High Needs Contingency for 2016/2017 once numbers are confirmed.
33. *It is proposed that the balance held in contingency of £1M be applied where it is required in 2016/2017 taking into account the following:

- Weatherfield Post 16 additional places and top up.
- Oak Bank Post 16 places and top up.
- The review of those SEND contracts agreed to be reviewed following School Forum January 2016.
- The review of top up rates for statements/EHC Plans and special schools/specialist provisions.