

Schools Forum

Date: Thursday, 4 June 2020
Time: 1.00 pm
Venue: Virtual Meeting

Items on the agenda: -

1. **Apologies**
2. **Minutes of Last Meeting** 3 - 12
3. **Update of Matters Arising** 13 - 14
4. **DSG Outturn Report 2019/20** 15 - 20
5. **DSG Recovery Plan** 21 - 34
6. **Assistant Directors Update** Verbal Report
7. **Chair's Business** Verbal Report

Date of Next Meeting: Thursday 1st October 2020, 1:00pm to 4:00 pm Conference Room, Northgate House, Warwick

Monica Fogarty
Chief Executive
Warwickshire County Council

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Warwickshire Schools Forum

Minutes of the Meeting on 16 January 2020

Northgate House Conference Centre, Warwick, 13:00 – 15:30

Attendance

School Forum Members	
Jane Burrows (Chair)	Myton School (Academy)
Peter Reaney (Vice Chair)	Rugby High School (Academy)
Alison Bardsley	Communities Academies Trust (Academy)
Alison Davies	The Avon Valley School (Maintained)
Amy Woodward	North Leamington School (Academy)
Christine Marshall	Exall Grange Special School (Maintained)
Clive Sentence	Alcester Grammar (Academy)
Fergus Durrant	Campion School (Academy Governor)
James Higham	Henry Hinde Infant/Junior School (Academy)
Julie Forshew	Nathaniel Newton Infant School (Maintained)
Martin Davies	Telford Junior School (Maintained Governor)
Mary Anne Burrows	PVI representative
Matthew Bown	St. Paul's CofE Primary School (Maintained)
Nicci Burton	Atherstone & Bedworth Heath Nursery Schools (Maintained)
Rebecca Harrison	Thorns and Park Hill (Maintained)
Sarah Bromley	PVI representative
Sybil Hanson	Coventry C of E Diocese Representative
Officers/Observers	
Cllr Colin Hayfield	Portfolio Holder for Education and Schools
Ian Budd	Assistant Director (Education Services)
Purnima Sherwood	Service Manager for Finance
Jane Carter	SEND 0-25 Strategy & Commissioning Manager
Neill Butler (Clerk)	Schools Funding & Strategy Manager
Becky Robinson	Principal Accountant
Mandy Latham	Senior Officer (Early Years & Sufficiency)

1. Apologies & Resignations

Apologies were received from the following Members:

Chris Atkins	Chetwynd Junior School (Maintained Governor)
Mark McGillicuddy	Woodlands School/Unity MAT (Special Academy Governor)
Nick Wylie	Cubbington Primary School (Maintained Governor)
Philip Johnson	Whitestone Infant (Maintained Governor)
Simon Lomax	Nuneaton Academy (Academy)
Steve Jefferies	Henley-in-Arden School (Academy)

Apologies were received from the following Officer:

Richard Ennis	Assistant Director (Interim) - Finance
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The following members did not attend and did not give their apologies:

Adam Hardy	Catholic Church Archdiocese
Eileen Hunter	Teachers' Union Representative

Since the December 2019 meeting Simon Lomax - Nuneaton Academy has resigned from Schools Forum.

It was confirmed that we would continue to hold elections in March 2020 for Schools Forum members rather than undertaking elections now for the vacancies.

2. Minutes of the Last Meeting

It was reported that there were several “typo’s” in the minutes of the Schools Forum meeting on 5 December 2019 and the final minutes would be amended accordingly.

Action: Neill Butler to amend the minutes.

3. Update on Matters Arising

Neill Butler went through the update.

Jane Burrows noted on Page 7 regarding Admissions Service about legal position (rebate being back-dated for 2018/19) – this is still outstanding and to be carried forward

The following was agreed regarding the record of members:

- Noted that Alison Davies was not a no-show as she had not received papers because an old email had been used.
- It was agreed that in the future where there are 3 no-shows, Jane will send the Schools Forum Member a letter to remind them of their commitment to attend meetings.
- Alison Bardsley raised that where 3 apologies, becomes equivalent to a no show
- It was agreed that as part of the new year election the importance of attendance will be reinforce.

4. Early Years National Funding Formula 2020/21

Neill Butler presented the report.

The report covers 2 issues. Amending the existing rate and applying the additional funding from Government from April 2020

There are 2 rates: the universal rate and the deprivation rate.

Previous assumptions indicated that 1 in 4 pupils attracted deprivation funding.

Over the summer information was provided by the be Early Years Team which suggested that only 1 in 8 pupils attracted the deprivation rate.

This means that from April 2020 the universal rate, deprivation rate or both could be increased.

The Early Years Working Group proposed that the deprivation rate should stay the same and to increase the universal rate which would benefit all Early Years providers.

This would move the universal rate from £3.96 per hour to £4.02 per hour.

In December 2019 the Government announced that is was raising the early years rates by £0.08 per hour. After taking a top slice of 5% this would leave £0.07 to be applied to the universal rate so increasing it to £4.09 per hour.

Nicci Burton: what is cost for 2 year olds when top slice is taken? Answer – no top slice for 2 year olds

Sarah Bromley – Will council keep 1p? Answer Yes will keep 22p/hr instead of 21p. The additional £0.01 top slice equates to approx. £65k. Sarah then asked if the council consider not keeping 1p; and passporting the full 8p. Birmingham passing the full amount. And Worcestershire are retaining 1p for Special Needs provision.

Neill responded by saying that we had considered other options but it was felt that to top slice the whole allocation by 5% was a more consistent approach.

Alison Bardsley – why are the most vulnerable children not getting share of the increase? Answer: Working group is of view £0.53 is sufficient within deprivation rates. Base rate is so low, so to increase it goes to all children including those in deprivation. This is in addition to the Early Years Per Pupil Premium which is more effective factor re deprived children (rather than based on post code).

Neill committed to taking it back to working group. But can't delay the decision.

Proposal is to make a decision on 7p with further decision regarding the 1p to come later to the March meeting.

Neill committed to taking it back to working group. But can't delay the decision.

In favour – unanimous yes

Action: Neill Butler to take 5% centrally retained funding back to the Early Years Working Group

7. Schools Block Disapplication Consultation

Jane Carter presented the report.

Nicci Burton asked a question about why we received less than expected. Jane Carter said she had a response from a DfE advisor and this will be forwarded on. It was calculated on number of factors that don't benefit the Shire counties. Eg low deprivation and high attainment – it works against you. Metropolitans have therefore done better with the extra funding – and have been able to reinstate services that they had previously cut. We are in the reverse position of this and are struggling to clear the deficit. Only got £4.8m. So we remain one of the lowest funded authorities and hence why WCC is a member of the f40 Group.

Jane Burrows asked if this is being escalated and taken to National level. Ian Budd confirmed that it is.

Jane Carter went on to say that the current overspend is £5.4m. Waiting to hear if regulations will change based on consultation. If LA cannot fund current in year overspend; increases to £11.8m when combine 20/21 overspend.

Jane Burrows asked how likely is it that LA can't fund 19/20 deficit? Ian Budd responded – can't predict and do not yet know when outcome will be confirmed

Last schools forum discussed the 0.5% and disapplication to avoid deadline being missed but Schools Forum were not asked to make a decision on this at that time. Need to make decision today about withdrawing the disapplication or proceeding with it..

Jane Carter outlined the results of the consultation

- Response rate improved compared to last consultation.
- 21% response rate. 48 responses out of 230 schools.
- 43 responses said no 90%
- 4 responses said yes 8%
- 2 responses made no comment 2%

Jane Burrows: do we know if the responses were secondary schools as this would represent higher number of pupils. Neill Butler informed Schools Forum that 11 responses were received from secondary schools and 37 from primary schools. This represented 31% of secondary schools and 19% of primary schools responding to the disapplication consultation

Jane Carter then gave an overview of the comments received from schools:

Ian Budd confirmed that the NFF can be implemented. So, the last 3 questions on consultation are void, as we can meet the NFF now that we have the final allocation

Ian Budd expressed gratitude for those who take on system leadership roles e.g. schools forum; Task and Finish groups, etc. and this is a system-wide issue for Schools Forum to consider Moving £1.7m reduces but doesn't eradicate overspend

Report from High Needs Task & Finish Group gave detail of patterns of provision in County (Oct report) and talked about plans in short term and medium term. If overspend remains over 1% in 2019/20 we must compile a recovery plan to the DfE.

Ian Budd talked through flowchart and the decision-making process regarding the 0.5%. Ian supported the recommendation to transfer 0.5% to high needs and the fact that the challenge will be £1.7m greater if we don't do the transfer. Ian also confirmed that regardless of decision – a lot of hard work was ahead of us.

Ian wants all of our Young People to thrive; wants them all to be supported, for those with complexity of need to aspire and place them appropriately and support them. High Needs Task & Finish (HNT&F) group – have some of the best support and outstanding practice – we need to have this consistently across the system. Plus some systemic behaviours which don't meet our values.

National audit report – evidence based representations to Govt are required. In WCC, many more in specialist provision than in other LAs. System is not as inclusive as other LAs – so we must collectively work on this

So there is a different distribution of HNB in WCC compared to others. So much is spent in special and AP;

We have situation where EY get 1% but in WCC get 0%; Primary get 10% when statistically get 16%; Secondary 6% compared to 10% statistically

Should be simpler ways to distribute the resources. Need collective appetite across system to meet the needs of young people. Will need clear discussions with Heads in schools to facilitate more funding coming freely into schools to get upstream support of needs. Need step change now.

Peter Reaney: currently funding allocation for next year has increased so that if do agree, not losing anything from NFF. And on top of this there is £2.7m unallocated. So £1.7m can be taken from that leaving £1m surplus for schools. If agreed – it still leaves £3.7m overspend in high needs block.

Sybil Hanson: represented Diocese for many years – and has heard this narrative before. Doesn't seem to have improved or moved forward. What assurances are there that this transfer will actually resolve the situation?

Councillor Colin Hayfield: this is big problem, and this is a demand led service £1.7m won't address problem – so will still need structural change. Council has underwritten deficit until now. But council doesn't have responsibility for educational needs – this has to come from Schools Forum. So should look at every avenue possible. These are all of our children and they deserve to be supported.

Alison Davis: demand is not equally spread; so, this mechanism gives 1 way of distributing – that is not actually proportional on the need across schools

Jane Burrows: what are comparisons with other LAs on out of county placements? Jane Carter confirmed we spend far more than statistical neighbours.

Jane Burrows said this has been raised as an issue at SF for many years. Plus have asked for transparency on pupil numbers re OOC spend for many years – and we still don't have it. Jane also referred to prior year outturn numbers and compared them to high needs forecast – and worries that Schools Forum still don't have transparency of the high needs spend

Ian Budd: confirmed that in last year that organisation's DNA is to be open book. HNT&F group has had open book information from service re data and evidence-based information. Ian also noted that they have been open about behaviours across the organisation too. So if there are outstanding information requests – they will be followed up. Ian Budd confirmed he is happy to share any information that has already been shared with T&F groups. Will take step of faith around transformation programme

Colin Hayfield agreed it is reasonable to ask for transparent information on how money is spent. E. g. could have specific item on SF meeting. Will make it available.

Peter Reaney: have information on where money is spent – but want more information about drivers – i.e. numbers of pupils in each type of provision. Ian Budd confirmed the HNT&F group has this.

Matthew Bowen: there is a free school for additional needs; further special school in process; should have positive effect on out of county spend and bring spend down? Ian Budd: Yes the Pears project should reduce OOC spend – will take careful planning and delivery. But other components to this.

Clive Sentence : when Schools Forum voted on this before – there was expectation that SF would approve. But did not go through as the money being sliced would remove ability of schools who have to deal with intervention. He is not of the view that things have changed. Those schools who voted against it had it right then – especially primary schools. No concrete options presented as a plan to convince him. This suggests there is a culture of lack of control. Shouldn't proposed overspends when non-statutory planned overspends, e.g. ABP's. Lack of recovery plan – who is

responsible for recovery plan? Ian Budd: at October meeting Schools Forum action plan proposal was discussed. Can't make step changes unless ownership amongst head.

Alison Bardsley: surplus in schools block in 20/21 – reason for £2.7m is due to not spending the growth funding allocated. Rest seems unclear. DfE has said that's what we need but NFF says we don't. concerns her not knowing what the surplus money is for. Also if 0.5 transfer doesn't happen what happens to the surplus? 1% deficit which keeps growing. If surplus remains in schools block and not spent, what happens to it. Does it offset the HN deficit? Neill Butler: Underspends in the schools block cannot be used to offset overspend in other blocks.

Alison Bardsley: If do transfer 0.5% - still need recovery plan. Purnima Sherwood: noted that risk that overspend is masked if the transfer is made. But the issue is a national one and being discussed at national forums and WCC feeding into CCN and LGA discussions with Treasury. Any reporting on expenditure/overspend can reference the transfer so that it is not masked Modelling shows that can achieve NFF; that schools are at least 1.84% better off (based on same pupil numbers) compared to 19/20; and still have £1m surplus even if do the 0.5% transfer. If don't do transfer have £2.7m surplus – huge imbalance across SB and HNB with surplus in former and deficit in latter. So from finance perspective need to support the transfer to address this imbalance. Highly likely that recovery plan will need to be made as a result of this year's deficit. That will need to incorporate the 20/21 forecast deficit too – so is a positive thing that need to do the recovery plan – which will need to be done with input across the system to address what is a system wide issue.

Jane Burrows recommended that the NFF 2020/21 was discussed next ahead of the vote regarding the 0.5% transfer form schools block.

5. School National Funding Formula 2020/21

Neill Butler presented the report.

WCC have received an 6.81% Increase in Schools Block DSG. We were expecting a rise of 4% due to the increase in pupil led funding factors and 1.7% due to increase in pupil number. We have, therefore, received an increase of 1.1% above expectations.

The reason for this increase is due to more money being allocated by the DfE for our Primary Units of Funding offset by a slight decrease in our Secondary Units of Funding.

This means we can implement the 'hard' NFF in 2020/21 and still have £2.7 million surplus. The issue for Schools Forum is how do we consult with schools on how we allocate this money, subject to any outcome form the 0.5% disapplication.

The surplus will in the short term be held against the Growth Fund allocation as there are future years budget pressures on this fund.

A paper will be brought back to Schools Forum in March 2020 with proposals for consultation with schools on the surplus.

Becky Harrison: how many schools are in deficit? Neill Butler: About 20 maintained schools in deficit with some being small schools. The changes to the funding formula for 2020/21 favours larger schools.

Sybil Hanson: actual situation at small primaries is still not good, so every pound they get from schools block is welcome.

Alison Davis: overall agreeing that secondaries and large primaries not impacted – but small primaries would be impacted – so consider using the surplus focusing on small primaries.

Christine Marshall – out of county spend is difficult. In background, Christine can confirm how hard they have worked to take in pupils who 1/2/3 years ago would have gone OOC. Her school cohort has changed dramatically. Is a national headline that children are getting are more complex. Need to not look at OOC spend or numbers; need to look at that in conjunction with total numbers/demand.

Jane Burrows: flagged that for 0.5% transfer guidance states that Schools Forum must see details of demand on the High Needs budget in order for it to make informed decisions. Jane went on to say that as far as she is aware this has never happened.

Nicci Burton – fear for most heads is that true overspend is masked.

Decisions:

- (1) Advise Cabinet to move to the 'hard' NFF in 2020/21. This was agreed Unanimously
- (2) Vote re move from 0.5% from schools block to the high needs block: In favour 3; against 10; abstaining 3
- (3) Paper for consultation to schools: This was agreed Unanimously

Action: Neill Butler to bring a report back to Schools Forum in March outlining the consultation process with schools to distribute any unallocated schools block funding.

Ian Budd will see Leader of the Council, Izzi Seccombe, this afternoon, who will decide whether to continue with disapplication or withdraw it. The Recovery plan will need to be done closely with SF and HNT&F group. May need some 'away time' re SEN transformation programme; needs to be owned by Heads across the system

Jane Burrows: asked Ian Budd to let Schools Forum know what the decision is by the Leader
Jane Burrows: asked if deficit recovery plan should be started now; and should there be a working party set up by Schools Forum to help on that. Ian Budd: agreed it would be a good idea.

Volunteers for the working group are:

Jane Burrows
Amy Woodward
Becky Harrison
Nicci Burton

Ian Budd recommended that the group could also cover off the data requirements referenced earlier on in terms of transparency

Action: Ian Budd to set up the Deficit Recovery Plan Working Group

6. Special Schools Funding Formula 2020/21

Neill Butler introduced the report.

2 schools of the 3 maintained Special Schools responded and both were in favour. Since paper drafted, have new census data, so Round Oak would lose £19,000 not £60,000 as per the Appendix

Amy Woodward – 2 schools responded – were they the ones doing better? Answer was yes. Round Oak has IEB in place so is this fair to change their funding detrimentally when they are vulnerable right now?

Nicci Burton – did non-responding schools give any response? No

Vote – Unanimously in favour of moving to a single census point

8. DSG Monitoring Report 2020/21

Purnima Sherwood presented this report.

Amy Woodward: asked what the £0.528 million overspend on ABP in paragraph 4.2? Jane Carter said she would confirm what this related too.

Clive Sentence: raised concerns over the underspend on admission as this needs to be spend as the service is in danger of imploding.

Decision:

Schools Forum unanimously approved the net transfer of £0.067 million to the growth fund resulting from Academisation and that any overspend in the Schools Block will be offset by any underspends in the Growth fund before carrying forward any Growth fund balance into the new financial year.

9. High Need DSG Budget Allocation 2020/21

Purnima Sherwood went through the report.

Jane Burrows: commented on the increase of £700 million and how this is reflected against increased pupil numbers in Warwickshire.

10. Central Schools Services DSG Budget Allocation 2020/21

Purnima Sherwood presented the report

Jane Burrows: Asked why paragraph 2.3 suggested pupil led funding was going down whilst pupil number had been said to be going up in other agenda items. Becky Robinson to follow this up.

11. Assistant Director's Update

This was covered under item 7.

12. Forward Plan

Neill Butler presented the forward plan.

13. Chair's Business

F40 – have a fair funding conference in March for anyone interested. This was circulated earlier today to SF.

Time and Date of the Next School's Forum

1:00 pm – 4:00 pm, Thursday 19th March 2020, Northgate House Conference Centre, Warwick

Item 3**Schools Forum****4 June 2020****Update on Matters Arising**

This report relates to all members of the Schools Forum

Recommendations

The Schools Forum is asked to note the update on the matters arising following the 19 March 2020 meeting of the Schools Forum. The meeting was cancelled - due to the Covid-19 pandemic many Schools Forum members either sending their apologies or asking for the meeting to be cancelled. As a result, three critical areas for consideration were dealt with virtually and the outcome of this is included within this matters arising update.

1. Purpose of the Report

- 1.1. The purpose of the report is to outline for the Schools Forum any matters arising from the minutes of the last Forum meeting that are not already being considered elsewhere on today's agenda.

2. Letter to DfE on sparsity

- 2.1. Schools Forum Members were asked to endorse sending a letter to the DfE regarding allocating money to the sparsity factor.
- 2.2. Schools and PVI sector representatives could vote on this item.
- 2.3. Nine members of Schools Forum needed to vote on this issue in order to be quorate.
- 2.4. Eleven members voted on this recommendation with 8 agreeing and 3 abstaining.
- 2.5. The letter was sent to the DfE and the Local Authority is in continuing discussion with the DfE on this issue.

3. DSG Budget Proposal 2020-21

- 3.1. Schools Forum Members were asked to approve the DSG budget for 2020/21 for the Central School Services block.
- 3.2. All Schools Forum representatives could vote on this item.
- 3.3. Eleven members of Schools Forum needed to vote on this issue in order to be quorate.
- 3.4. Twelve members voted on this recommendation with 11 agreeing and 1 abstaining

4. Schools Forum Elections

- 4.1. Schools Forum Members agreed to defer the election process until later in the year.
- 4.2. All Schools Forum representatives could vote on this item.
- 4.3. Eleven members of Schools Forum needed to vote on this issue in order to be quorate.
- 4.4. Twelve members voted on this recommendation all with 12 agreed to this recommendation.
- 4.5. It is recommended that the elections take place in during September 2020 with the first meeting of the new Schools Forum taking place in late October 2020.

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Schools Forum

4th June 2020**2019/20 Dedicated School Grant Outturn Position**

This report relates to both maintained and academy schools and all members of the Schools Forum.

Recommendation(s)

The Schools Forum is recommended to:

- Note the DSG financial outturn position for 2019/20.

1. Introduction

1.1. This report sets out the final outturn position of the Dedicated Schools Grant (DSG) for 2019/20.

2. 2019/20 Final Outturn Position

2.1. The total DSG allocation for Warwickshire, as last reported to Schools Forum in March 2020, was £427.250 million, with total recoupment of £203.654 million, resulting in a net allocation across Blocks after recoupment of £223.596 million. There were no further changes to this allocation before the end of the financial year.

<i>Table 1: 2019/20 DSG Allocations</i>	<i>Gross Allocation £m</i>	<i>Total Recoupment £m</i>	<i>Allocation across Blocks £m</i>	<i>Notes</i>
Schools	327.385	(191.283)	136.102	Academy recoupment
High Needs	62.926	(12.371)	50.555	High Needs recoupment
Early Years	32.534	0	32.534	
Central School Services	4.405	0	4.405	
Total DSG	427.250	(203.654)	223.596	

2.2. The final DSG outturn position for 2019/20 is an overspend of £5.063 million. This is a reduction to the January 2020 forecast overspend of £5.349 million, as reported to Schools Forum in March 2020. However, this is offset as part of the council budget resolution in February 2019 with by a council contribution to the High Needs block of £2.103 million. Therefore, the final position is an overall over-spend of £2.960 million.

- 2.3. Table 2 summarises the outturn by DSG Block, with the narrative in this report providing further analysis and Appendix A providing a detailed breakdown:

Table 2: 201920 Outturn	Final Net Allocation	Outturn	Variance	Forecast Variance @ Jan20
	£m	£m	£m	£m
Schools Block*	136.102	135.910	(0.192)	135.802
High Needs Block	50.555	57.899	7.343	58.447
Early Years Block	32.534	31.5686	(1.848)	32.566
Central School Services Block	4.404	4.164	(0.240)	4.233
Total DSG	223.596	228.659	5.063	231.049
Council contribution to High Needs Block agreed in February 2019 prior to change in DSG terms and conditions		(2.103)	(2.103)	(2.103)
Total	223.596	226.556	2.960	228.946

*ISB allocations to individual schools within this block are treated as fully spent.

- 2.4. It should be noted that historically the DfE have required all local authorities to complete a recovery plan should the expenditure on the DSG exceed 1%. The outturn position of £5.063 million equates to a 1.19% overspend, which exceeds the DfE threshold.¹
- 2.5. The position is not unique to Warwickshire and is a national one that is being closely monitored. At the October Schools Forum meeting, we provided an overview of the previous year's DfE guidance relating to recovery plan requirements. The exact requirements of the DfE for Local Authorities who exceeded the 1% threshold has not yet been made clear by the DfE, so in the meantime a paper is being put to Schools Forum today to enable us to consult with Schools Forum on a Recovery Plan by a provisional submission deadline of 30 June.

3. Explanations for Variances

The sections below explain the main reasons for the variances across the blocks. A detailed breakdown of variances is shown in Appendix A.

Schools Block (£0.192 million underspend)

- 3.1. There is an underspend of £0.192 million on the Schools block which comprises:
- Rates reimbursements overspend to maintained schools of £0.209 million
 - Exceptional Pupil Numbers (growth fund) underspend of £0.383 million
 - An overspend on Ethnic Minority & Traveller Achievement Service of £0.036 million
 - An underspend on Education Functions - DBS checks of £0.020 million

¹ Calculation of overspend is based on original DSG allocation of £427.249m, i.e. the allocation prior to academy recoupment and adjustments for pupil numbers.

- An underspend on Free School Meals of £0.044 million due to the cost of the portal being absorbed by the admissions team
- An overspend on Schools Performance of £0.010 million

High Needs Block (£5.240 million overspend)

3.2. High Needs has a total overspend of £7.343 million, this has been offset by a local authority contribution of £2.103 million which was agreed in February 2019 prior to the change in DSG terms and conditions.

3.3. There have been significant overspends in the SEN top-ups:

- Mainstream Schools £1.848 million
- Special Schools and Academies £0.943 million
- Independent Service Provider day and residential placements £0.512 million
- Resourced Provision £0.383 million
- Post-16 funding £0.928 million
- Area Behaviour Partnerships £0.304 million
- The SEN Inclusion Grant £0.108 million

3.4. In addition, there are some minor underspends within the High Needs Block totalling £0.453 million and the shortfall in budget of £2.770 million highlighted throughout the year.

Early Years Block (£1.848 million underspend)

3.5. This underspend is made up of:

- Underspends of £0.692 million on Nursery funding for 3 and 4 year olds (Universal Funding and Additional 15 hours).
- Overspends IDS TL Early Years of £0.120 million
- Underspends of £1.001 million due to DSG clawback anticipated from 2018/19 that did not materialise (due to higher than expected census figures) and anticipated additional funding for 2019/20 to be announced in July 2020.
- Minor underspends amounting to £0.275 million

3.6. It is recommended that the £1.848million underspend should be set aside within an Early Years Block Reserve and will be used to sustain the increase in the Early Years Universal rate that was unanimously approved at a previous Schools Forum meeting this year.

Central Schools Services Block (£0.240 million underspend)

3.7. There are underspends of £0.240 million, consisting of underspends in Child Protection and Taking Care of £0.094 million, Admissions of £0.134 million, Heads Termly/SACRE of £0.006 million and in Employers Liability Insurance of £0.006 million.

4. DSG Reserve position for 2020/21

<i>Table 3: Individual DSG Reserves*</i>	<i>Reserves 31/3/2020 £m</i>
Schools Block	0.192
High Needs Block	(5.240)
Early Years Block	1.848
Central School Services Block	0.240
Total	(2.960)

*Brackets reflect an over-drawn reserve

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Appendix A

Table 3: Schools Block	Budget 2019/20 £m	Outturn 2019/20 £m	Overspend / (Underspend) £m	Forecast @ end January 2020 £m
Mainstream Individual School Budgets	133.599	133.599	0.000	133.599
Rates reimbursement to maintained schools	0.000	0.209	0.209	0.112
Growth Fund (exceptional pupil numbers)	1.669	1.286	(0.383)	1.253
Schools Block Contingency (unallocated budget)	0.000	0.000	0.000	0.000
Education Functions - Maintained Schools				
DBS checks	0.190	0.170	(0.020)	0.185
De-delegated budgets				
School Performance	0.208	0.218	0.010	0.208
STS SEND Support (Previously "EIS")	0.033	0.033	0.000	0.033
Ethnic Minority & Traveller Achievement Service	0.242	0.278	0.036	0.252
Free School Meals	0.021	(0.023)	(0.044)	0.021
Teaching Union Cover	0.071	0.071	0.000	0.071
Non-Teaching Union Cover	0.016	0.016	0.000	0.016
Occupational Health	0.014	0.014	0.000	0.014
Central Establishment Charges	0.039	0.039	0.000	0.039
Total Schools Allocations	136.102	135.910	(0.192)	135.803

Table 4: High Needs Block	Budget 2019/20 £m	Outturn 2019/20 £m	Overspend / (Underspend) £m	Forecast @ end January 2020 (Period 10) £m
SEN – Place Funding for Maintained Mainstream, Special and Resourced Provision	5.127	5.127	0.000	5.127
SEN Top up - Mainstream Schools & Academies	6.217	8.065	1.848	7.535
SEN Top up - WCC Special Schools & Academies	13.890	14.833	0.943	14.857
SEN Top up - Independent & OLA Special Schools	14.082	14.594	0.512	15.126
Tier 4 Hospital Education	0.180	0.091	(0.089)	0.160
Resourced Provision - SEN Support	1.701	2.083	0.383	2.062
SEND Speech & Language	0.191	0.191	0.000	0.191
Post 16 Funding	4.726	5.654	0.928	5.749
SEND Commissions	0.067	0.061	(0.006)	0.075
SEND Integrated Services (Low incidence SEND)	1.416	1.410	(0.005)	1.381
SEND Integrated Services (Flexible Learning)	0.457	0.457	0.000	0.369
Area Behaviour Partnerships (Primary and Secondary Exclusions)	2.132	2.436	0.304	2.789
Contribution to Early Intervention Behaviour Panels	0.063	0.027	(0.036)	0.066
SEND Integrated Services (Specialist Teaching Service)	1.371	1.055	(0.317)	1.149
Integrated Disability Service SEN Inclusion Grant (EY)	0.277	0.385	0.108	0.385
Central Establishment Charges	1.428	1.428	0.000	1.428
Shortfall in budget allocated	(2.770)	0.000	2.770	0.000
High Needs Allocations	50.556	57.899	7.343	58.448
High Needs Block Funding	(50.556)	(50.556)	0.000	(50.556)
Forecast High Needs Block Funding Shortfall	0.000	7.343	7.343	7.892
Local Authority Contribution		(2.103)	(2.103)	(2.103)
Net (Surplus) / Deficit	0.000	5.240	5.240	5.789

Table 5: Early Years Block	Budget 2019/20 £m	Outturn 2019/20 £m	Overspend / (Underspend) £m	Forecast @ end January 2020 £m
Nursery schools (Universal Hours)	1.626	1.626	(0.000)	1.626
Special nurseries (Universal Hours)	0.043	0.043	(0.000)	0.043
Nursery Funding 3&4 year olds (Universal funding - Independent Providers & Nursery Classes and Additional 15 hours)	26.141	25.449	(0.692)	24.974
Maintained Nursery Supplement	0.000	0.000	0.000	0.000
DSG Pupil Premium	0.160	0.022	(0.138)	0.134
Funded 2 year olds	3.016	3.066	0.050	2.996
Disability Access Fund	0.118	0.000	(0.118)	0.118
IDS TL Early Years	0.826	0.946	0.120	0.891
Early Years - Sufficiency & Business Support	0.250	0.221	(0.029)	0.280
Early Years Quality & Development	0.040	0.000	(0.040)	0.000
Early Years – Year end account adjustment	0.000	(1.001)	(1.001)	1.190
EYB Central Establishment Charges	0.314	0.314	0.000	0.314
Early Years Allocations	32.534	30.686	(1.848)	32.566

Table 6: Central Schools Services Block	Historic or Ongoing	Budget 2019/20 £m	Outturn 2019/20 £m	Overspend / (Underspend) £m	Forecast @ end January 2020 (Period 10) £m
Child Protection & Taking Care	Historic	0.175	0.081	(0.094)	0.114
Children's Mental health	Historic	0.150	0.150	0.000	0.150
Admissions	Ongoing	0.718	0.584	(0.134)	0.614
Heads Termly / SACRE	Ongoing	0.018	0.012	(0.006)	0.018
DSG SF Allocation - Historic Pension Contribution	Historic	0.737	0.737	0.000	0.737
DSG SF Allocation - North Leamington School Borrowing	Historic	0.266	0.266	0.000	0.266
DSG SF Allocation - Copyright Licences	Historic	0.422	0.422	0.000	0.422
Employers Liability Insurance	Ongoing	0.051	0.045	(0.006)	0.045
Planning for the education service as a whole (Sch 2, 15b)	Ongoing	0.378	0.378	0.000	0.378
Formulation and review of local authority schools funding formula (Sch 2, 15d)	Ongoing	0.047	0.047	0.000	0.047
School attendance (Sch 2, 16)	Ongoing	0.377	0.377	0.000	0.377
Responsibilities regarding the employment of children (Sch 2, 18)	Ongoing	0.069	0.069	0.000	0.069
Admissions (Sch 2, 9)	Ongoing	0.086	0.086	0.000	0.086
Cost of support services for Education Functions	Ongoing/ Historic	0.910	0.910	0.000	0.910
Central Schools Services Allocations		4.404	4.164	(0.240)	4.233

Schools Forum

4th June 2020

DSG Recovery Plan

Recommendations

- That the Schools Forum approve the DSG Recovery Plan at Appendix B
- That the Schools Forum work with the local authority and school leaders to develop the DSG Sustainability Plan going forward

1. Purpose

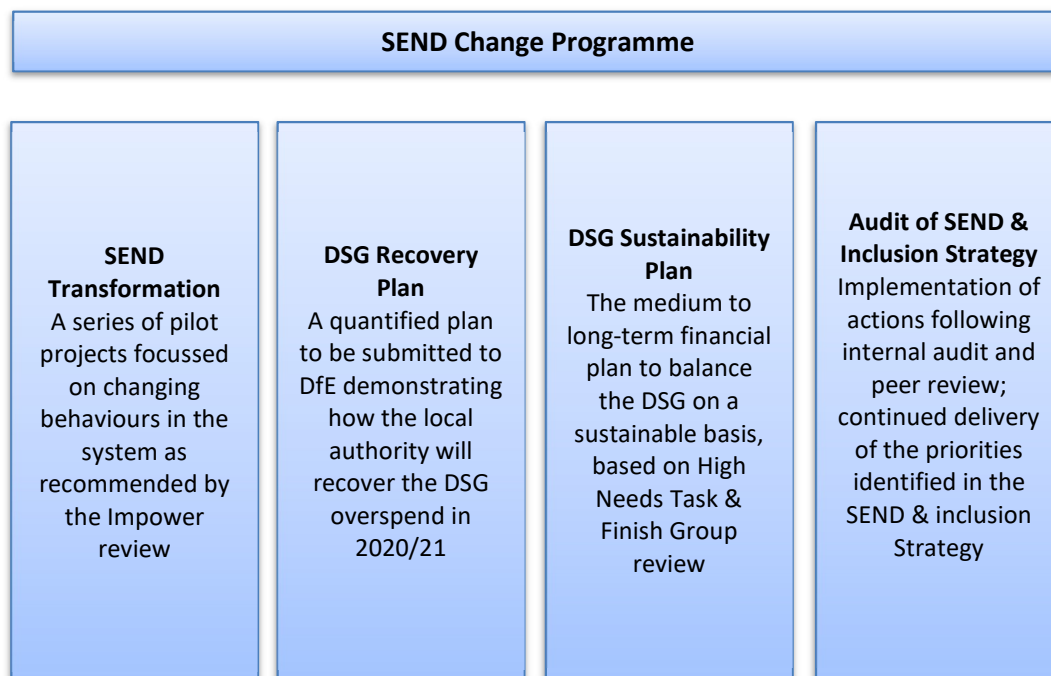
- 1.1. The purpose of this report is to present the DSG Recovery Plan. The plan is part of an overall SEND Change Programme to be taken forward and led by Warwickshire County Council.
- 2.2 In previous years, the local authorities have been required to submit the DSG Recovery Plan to the Department for Education (DfE) by 30th June. Warwickshire are working to this deadline, however the guidance this year states that plans must be shared with the DfE 'as and when requested':

Any local authority that has an overall deficit on its DSG account at the end of the 2019 to 2020 financial year, or whose DSG surplus has substantially reduced during the year, must co-operate with the Department for Education (DfE) in handling that situation. In particular, the local authority must:

- 1. Provide information as and when requested by the department about its plans for managing its DSG account in the 2020 to 2021 financial year and subsequently.*
- 2. Provide information as and when requested by the department about pressures and potential savings on its high needs budget.*
- 3. Meet with officials of the department as and when they request to discuss the local authority's plans and financial situation.*
- 4. Keep the schools forum regularly updated about the local authority's DSG account and plans for handling it, including high needs pressures and potential savings.*

2. SEND Change Programme

- 2.1. The SEND Change Programme, approved by Corporate Board in May 2020, will pull together the different strands of work from the past year into one place.



- 2.2 The full 2019/20 out-turn of the DSG is set out in another agenda item. The DSG Recovery Plan is to show how the shortfall of £7.343 million (£5.240 million after WCC contributions) in 2019/20 can be recovered. The plan set out below demonstrate savings against forecast of over £6.000 million in three years. It should be made clear, however, that within that timeframe expenditure is forecast to increase and therefore the Recovery Plan alone is not sustainable.
- 2.3 A DSG Sustainability Plan is also being developed with the objective of ensuring that the High Needs Block keeps within allocated resources, whilst meeting statutory requirements, year on year. Forecasting shows that, on current trends, the 'as-is' position is that expenditure will rise to £19.000 million above allocated budget year on year from 2023/24. As local authorities are no longer allowed to contribute to the deficit from their own reserves, this will have significant cumulative impact on the DSG budget.
- 2.4 The Council will need to work with Schools Forum, and more broadly with all school leaders, to further develop the DSG Sustainability Plan. Following changes in guidance, the council will not be able to contribute to the DSG deficit from its own reserves in future.
- 2.5 The National Audit Office has stated that current national arrangements for SEND are financially unsustainable and a national review is underway. Other local authorities, particularly County Councils, are also facing similar challenges. The pressures described by the National Audit Office continue and have been articulated in previous reports (eg. increase in EHC plans, increase in age range, increase in demand for specialist provision).

3. Conclusions

- 3.1 The table below details the activity for the DSG Recovery Plan. It also highlights the impact these interventions will have and the confidence in achieving them. The current forecast savings against these interventions is shown at Appendix A (as of 22nd May). It is important to note that this plan includes activity on EHC plan 'top-ups', previously excluded from the scope of savings plans.
- 3.2 The table of activity is based upon the work of the High Needs Task and Finish Group and a subsequent Schools Forum sub-group. The calculated savings are in development. Appendix A shows workings to date. The Council will continue to work with Schools Forum and school leaders beyond 30th June to implement the DSG Recovery Plan and further develop the DSG Sustainability Plan.
- 3.3 This being presented to Schools Forum, prior to Cabinet on 11th June and submission to DfE.

Ref	Action	Assumption	Notes	Impact (Potential savings over 3 years)	Confidence level (Savings can be achieved)
1.	Continued increase in Resourced Provision capacity and utilisation	Placements currently in special schools could be catered for in Resourced Provision, creating capacity in special schools and reducing the need for higher costs independent specialist placements	Links with Impower Trial 3: Child-centred inclusion pathways (Impower); Recommendation from High Needs Task and Finish Group; Already in progress	High (£1.499m)	High
2.	Increase in special school capacity at the Pears site	The 80 place provision for ASD/SEMH needs will reduce need for higher costs independent specialist placements	Recommendation from High Needs Task and Finish Group; Already in progress	High (£3.173m)	High
3.	Increase the timeliness of EHC plans issued in early years (ages 0-4)	By ensuring package of support are in place earlier, the demand for special school (more costly) places in Reception Year and Year 1 should be reduced.	Links with Impower Trial 3: Child-centred inclusion pathways (Impower);	Medium (initial additional cost of £0.223m, but leading to savings by year 4)	Medium
4.	Align increase in EHC plans with statistical neighbours (eg. Review current SEND Guidance and clarify thresholds for panel decision-making)	Assumed reduction in requests for assessment and fewer placements to be made in specialist provision (state-funded and specialist)	Links with Impower Trial 2: Needs-focussed panels Recommendation from High Needs Task and Finish Group (SEND Guidance); Already in progress	Medium (estimated £0.919m but has a cumulative effect)	Medium/Low
5.	Contracts with Independent Specialist Provision to ensure financial discipline	The framework contract limits 1% inflation to stated prices and ensure robust contract management	Recommendation from High Needs Task and Finish Group; Already in progress	Medium/Low (£0.187m)	Medium/Low

6.	Reduce the use of alternative provision	Placements in alternative provision have increased and now match (or sometimes exceed) special school costs. Packages of support in mainstream settings would be a less costly alternative and will ensure children remain in mainstream settings.	Links with Impower Trial 1: Changing the conversation A deep dive review is required urgently in this area to provide clarity on how savings are to be achieved. AP is currently commissioned by schools, SENDAR, Flex Learning and EET. AP Free School to open Sept 2021.	High (estimated £1.415m but may increase dependent on findings of review)	Medium
7.	Invest to save in supported internships quality assurance	By increasing the number supported internships and ensuring they find employment we can achieve positive outcomes for the young person, the end of an EHC plan and savings for adult social care.	Development from recommendation from High Needs Task and Finish Group; Already in progress	High (£1.817m)	Medium
8.	Increase funding to mainstream settings for children with EHC plans	Through proposed trials with school consortia from the Impower review, more children should be supported to stay in mainstream settings, reducing costs from specialist placements.	Links with Impower Trial 1: Changing the conversation Increases need to lead to overall savings; calculations still being made.	To be confirmed	
9.	Service reviews (LA services funded by DSG)	The remaining services delivered or commissioned by the LA from DSG to be reviewed to ensure value for money		To be confirmed (following review)	
10.	Review the special school funding matrix	Review current funding allocations to different types of specialist provision, within the same funding envelope. Cost neutral.	Requested by special school headteachers; last reviewed in 2016	Cost neutral	
11.	Joint commissioning	Ensuring that we work with our partners so that the system delivers value for money	Recommendation from High Needs Task and Finish Group; Already in progress	Cost neutral	

	Name	Contact Information
Report Authors	Duane Chappell Strategy & Commissioning Manager: SEND & Inclusion Ross Caws – SEND Board Development Manager	duanechappell@warwickshire.gov.uk rosscaws@warwickshire.gov.uk
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Appendices

APPENDIX A: DSG Recovery Plan High Level Summary

APPENDIX B: DSG Recovery Plan

APPENDIX A: DSG Recovery Plan High Level Summary (as of 27th May 2020)

High Needs

Forecast

*2019/20 Cumulative includes WCC contribution of £2.103m

1. Baseline Model - "As is"

Annual Forecast

Under/(Over) Spend

Cumulative Overspend

£(000)								
2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
(£7,343.4)	(£7,056.5)	(£11,351.0)	(£16,035.3)	(£18,898.6)	(£21,829.9)	(£23,138.7)	(£23,469.5)	(£24,627.8)
(£5,240.4)	(£12,296.8)	(£23,647.8)	(£39,683.0)	(£58,581.7)	(£80,411.5)	(£103,550.3)	(£127,019.8)	(£151,647.5)

2. Annual Intervention Savings

1. Resource Provision

2. Special School & Pears

3. Increase EHCP in Early Years

4. Align growth of EHC plans in line with statistical neighbours

5. Inflation on ISP Res reduce at 1%

6. Reduce in the use of AP

7. Increase the number of internships

Annual Savings

Sustainability reduction as % from Baseline

£(000)								
2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
£0.0	£201.5	£521.3	£776.3	£771.2	£757.3	£732.7	£646.3	£583.0
£0.0	£0.0	£849.8	£2,323.6	£3,600.0	£3,849.6	£4,075.1	£4,186.0	£4,329.5
£0.0	(£10.5)	(£213.5)	£0.1	£249.4	£555.3	£796.0	£892.0	£979.0
£0.0	£0.0	£279.0	£641.0	£1,163.5	£1,804.7	£2,622.3	£3,478.7	£4,557.3
£0.0	£32.2	£64.0	£90.8	£107.3	£129.2	£137.2	£136.5	£156.4
£0.0	£0.0	£705.9	£709.3	£704.6	£705.0	£702.4	£666.0	£633.0
£0.0	£485.9	£587.8	£743.3	£922.7	£1,052.9	£1,137.6	£1,206.1	£1,294.8
£0.0	£709.0	£2,794.2	£5,284.4	£7,518.7	£8,854.0	£10,203.3	£11,211.5	£12,532.9
0%	-10%	-25%	-33%	-40%	-41%	-44%	-48%	-51%

£(000)

3. Impact to forecast after interventions

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Annual Forecast									
Under/(Over) Spend	(£7,343.4)	(£6,347.4)	(£8,556.8)	(£10,750.9)	(£11,380.0)	(£12,975.9)	(£12,935.5)	(£12,258.0)	(£12,094.9)
Cumulative Overspend	(£5,240.4)	(£11,587.8)	(£20,144.5)	(£30,895.4)	(£42,275.4)	(£55,251.2)	(£68,186.7)	(£80,444.7)	(£92,539.6)

Annual Incremental Saving	£0.0	£705.9	£3.4	(£4.7)	£0.5	(£2.7)	(£36.4)	(£33.0)
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APPENDIX B: DSG Recovery Plan (separate attachment)



School and Early Years Finance (England) Regulations Local Authority Dedicated Schools Grant Deficit Recovery Plan

Please complete this recovery plan template outlining how you will bring your DSG deficit back into balance within a 3 year time frame. Please complete all relevant fields and return the completed recovery plan to financial.management@education.gov.uk

You may wish to include brief supporting attachments with your request such as forum minutes (if links not available) - these can be added towards the bottom of this page. Spreadsheet calculations should be included on the **Financial Summary** tab.

Local Authority	Warwickshire
Local Authority number	937
Does schools forum agree with this recovery plan and when was it presented to them?	
If yes, please provide link(s) to the minutes and action plans from the schools forum agreement	

What plans have you put in place to reduce the deficit in increments over the next 3 years?

The Council is developing a DSG sustainability plan in partnership with the Schools Forum, Parent/carers and all schools aimed at introducing greater value for money in the area of SEND spending. This partnership approach follows a High Needs Task and Finish Group with local Headteachers, SEND Coordinators and other Schools Forum members looking at our current use of resources and what interventions could be made to work within allocated budgets. In addition, we commissioned a review of our system by an organisation with a behavioural science approach, to identify the cultural changes needed to improve our local SEND system. Together, the recommendations from these strands of work form a local SEND Change Programme. The programme plan is outlined, but individual projects require development.

As a system we are facing increased numbers of EHC plans, increased requests for specialist provision, increased numbers of tribunals (often by-passing mediation), increased use of alternative provision, and significant population growth.

A key challenge for us locally is joint leadership across the system and addressing what has historically been a confrontational relationship between schools and SEND officers on the Schools Forum. We recognise that we require whole system change, covering: cultural change across all schools and fair and manageable DSG Block Transfers, ensuring mainstream schools are adequately resourced, development of new local provision, matching special school and resource base provision to future need, reviews of the use of alternative provision, and workforce development across the system. All these changes will create positive impact on the deficit but are long term developments that will take much longer than 3 years to build up to maximum impact.

Word count: 269

Can you specify how continuous improvement has reduced the deficit/ is going to reduce the deficit? This could include sharing best practice, new contracts, efficiency savings

In 2015, the Council launched the Vulnerable Learners Strategy. This was driven by forecasting that predicted a £13.7m overspend on the High Needs Block by 2019. It was recognised that there was an over-reliance on independent specialist provision that was driving up costs and as a result the Council expanded existing state-funded specialist provision, opened two new special schools (with a further one closed, redesignated and re-opened), established SEND resourced provision, and worked with local post 16 providers to increase in-County 16-25 provision. As a result the overspend was limited to £3.1m (which was met from Council reserves).

In 2017/18, the Schools Forum agreed a £2.5m savings plan. This focussed on local authority services and provision for children at risk of exclusion/excluded; top-ups to EHC plans were out of scope. Non-statutory provision was de-commissioned.

In 2019, a new SEND & Inclusion Strategy was launched. Whilst the number of placements in independent specialist provision reduced during 2015-2019, so too did the number of learners with EHC plans in mainstream settings. We have seen a significant increase in the number of learners attending state-funded specialist provision. Looking to the future, 68,000 homes are expected to be built over the next 10 years, with an expected increase of around 34,000 school age learners.

Our challenge is to 'promote inclusion' in our mainstream settings, giving schools the skills and resources to meet the needs of learners in their local schools, and building the confidence of parents and carers. In addition to this, the Council is also seeking to establish further resourced provision and specialist provision in line with population growth and the changing needs of the cohort.

Word count: 271

Please provide details of any previous movements between blocks, what current cost pressures those movements covered, and why those transfers have not been adequate to counter the new cost pressures

In 2017/18 the Schools Forum voted against moving funds from the Schools Block to the High Needs Block. In 2019/20 the Schools Forum again voted against moving funds to the High Needs Block, a decision upheld by the Secretary of State.

In consultation with schools, many headteachers saw the proposed transfer as not addressing the issue. Rather, transfers from Schools Block to High Needs Block puts more pressure on schools' abilities to support pupils with less complex SEND needs, which causes needs to escalate and create further High Needs Block pressures. This situation is further exacerbated by Warwickshire schools being in the F40 group of lowest funded local authorities in the country.

Word count: 112

Please provide details of contributions coming from the health and social care budgets towards the cost of high needs provision

Decisions on residential placements are made jointly with social care, with costs shared appropriately. NHS CCG contributions to local community services (eg. speech and language therapy) are significant. Challenges in joint commissioning centre around areas of growing need, where all agencies have budgets already allocated (eg. costs of specialist equipment, growing numbers of children and young people with mental health needs).

Word count: 61

Please explain how the LA has discharged its duties under section 149 of the Equality Act 2010, C&F 2014 and common law to consult with those affected by the changes proposed.

The SEND & Inclusion Strategy was subject to an Equalities Impact Assessment. All major projects are also subject to an Equalities Impact Assessment. Similarly all decisions taken regarding individual cases are taken with due consideration of legislative requirements including the Equality Act 2019 and the Children and Families Act 2014.

Word count: 50

Please include a summary of the savings/and or measure you propose to implement over the next three years which will reduce the overspend.

S1	Continued increase in Resourced Provision capacity and utilisation Placements currently in special schools could be catered for in Resourced Provision, creating capacity in special schools and reducing the need for higher costs independent specialist placements
S2	Increase in special school capacity at the Pears site The 80 place provision for ASD/SEMH needs will reduce need for higher costs independent specialist placements
S3	Increase the timeliness of EHC plans issued in early years (ages 0-4) By ensuring package of support are in place earlier, the demand for special school (more costly) places in Reception Year and Year 1 should be reduced.
S4	Align increase in EHC plans with statistical neighbours (eg. Review current SEND Guidance and clarify thresholds for panel decision-making) Assumed reduction in requests for assessment and fewer placements to be made in specialist provision (state-funded and independent)
S5	Contracts with Independent Specialist Provision to ensure financial discipline The framework contract limits 1% inflation to stated prices and ensure robust contract management
S6	Reduce the use of alternative provision Placements in alternative provision have increased and now match (or sometimes exceed) special school costs. Packages of support in mainstream settings would be a less costly alternative and will ensure children remain in mainstream settings.
S7	Increase funding to mainstream settings for children with EHC plans Through proposed trials with school consortia from the Impower review, more children should be supported to stay in mainstream settings, reducing costs from specialist placements.
S8	Supported internships By increasing the number supported internships and ensuring they find employment we can achieve positive outcomes for the young person, the end of an EHC plan and savings for adult social care.
S9	Service reviews (LA services funded by DSG) The remaining services delivered or commissioned by the LA from DSG to be reviewed to ensure value for money
S10	Review the special school funding matrix Review current funding allocations to different types of specialist provision, within the same funding envelope. Cost neutral.

S11	Joint commissioning Ensuring that we work with our partners so that the system delivers value for money
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Please discuss the local circumstances that have contributed to your deficit. Please provide a brief summary of the pressures in the box

- A) mainstream schools; B) state-funded special schools,
C) further education and sixth form colleges,
D) independent specialist provision; E) alternative provision

P1	Increase in number of EHC plans, particularly at aged 16-25 (school age has risen by 0.1%); coupled with population growth, with a further 68,000 homes to be built in the County over the next 10 years
P2	Disproportionate increases in placements in state-funded specialist provision.
P3	Higher than average placements in independent specialist provision at school age (although this has been reducing).
P4	Increased use of alternative provision as part of a package for children with SEND.

Please provide any further detail here if required, including any attachments that support your recovery plan and any disapplication reference number.

Contact Name	Duane Chappell
Job Title	SEND & Inclusion: Strategy & Commissioning Manager
Email address	duanechappell@warwickshire.gov.uk
Date	

DSG Deficit Recovery Plan

Ref.	Block	Type of provision e.g. special schools	Action e.g. increasing special school places	Year 1	Year 2	Year 3	Year 4	Year 5	
				2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
				£	£	£	£	£	
DSG Balance b/f				-	5,240,375	11,587,787	20,144,548	30,895,424	42,275,380
Savings (figures should be entered as negative values)									
S1	High Needs	Resourced Provision	Capital investment in new or expanded special units / resourced provision		(201,478)	(521,331)	(776,275)	(771,219)	(757,333)
S2	High Needs	Special Schools	Capital investment in new, expanded or adapted special schools		0	(849,765)	(2,323,638)	(3,600,036)	(3,849,563)
S3	High Needs	Early Years and Mainstream High Needs Provision	Other		10,482	213,546	(117)	(249,359)	(555,257)
S4	High Needs	Align growth in EHC plan with other local authorities	Active engagement of local schools and colleges in designing services and provision		0	(278,952)	(640,977)	(1,163,528)	(1,804,694)
S5	High Needs	Independent Placements	Active engagement of independent / non-maintained providers in designing services and provision		(32,186)	(64,013)	(90,836)	(107,277)	(129,238)
S6	High Needs	Alternative Provision	Active engagement of local schools and colleges in designing services and provision		0	(705,906)	(709,261)	(704,574)	(705,032)
S7	High Needs	Mainstream schools	Increased resource for mainstream schools – targeted funding		0	0	0	0	0
S8	High Needs	Post 16 (Further Education) - Supported Internships	Active engagement of local schools and colleges in designing services and provision		(485,862)	(587,769)	(743,287)	(922,680)	(1,052,878)
S9	High Needs	Service Reviews	Other						
S10	High Needs	Special School Funding	Other						
S11	High Needs	Joint Commissioning	Other						
Total savings				0	(709,045)	(2,794,190)	(5,284,391)	(7,518,673)	(8,853,994)
Pressures (figures should be entered as positive values)									
P1	High Needs	Independent Placements	Higher parental expectations		3,732,636	4,024,171	4,987,671	5,385,936	5,850,978
P2	High Needs	Special Schools	Pressure on maintained special school capacity		4,080,418	4,548,455	6,086,654	7,099,277	8,110,289
P3	High Needs	Early Years and Mainstream High Needs Provision	Increase in the number of EHC Plans		4,390,914	5,112,429	7,104,685	8,473,712	9,885,036
P4									
Additional Pressures (figures should be entered as positive values)				0	12,203,968	13,685,055	18,179,010	20,958,925	23,846,303
Cost reductions from impact of recovery plan				0	11,494,923	10,890,865	12,894,619	13,440,251	14,992,309
Total DSG forecast overspend									
Net in year impact on High Needs DSG				0	11,494,923	10,890,865	12,894,619	13,440,251	14,992,309
Estimated High Needs Block change (additional grant)					(5,147,510)	(2,334,104)	(2,143,744)	(2,060,295)	(2,016,445)
Approved transfer of schools block to HN block				0	0	0	0	0	0
Other adjustments					0	0	0	0	0
Net in year Forecast Outturn Variance				0	6,347,412	8,556,761	10,750,875	11,379,957	12,975,863
DSG Balance – show a deficit as a positive value				5,240,375	11,587,787	20,144,548	30,895,424	42,275,380	55,251,244
				DEFICIT	DEFICIT	DEFICIT	DEFICIT	DEFICIT	DEFICIT

Key
User entry required

*2019/20 deficit is after the WCC contribution of £2.103m agreed in January 2019 prior to changes in terms & conditions

Education, Health and Care Plans

	Number of CYP with Statements/ EHCPs	Total HNB	Outturn	Variance	Cumulative
2016	2963				
2017	3260	£41,787,000	£42,651,000	£864,000	£864,000
2018	3509	£42,984,000	£45,087,000	£2,103,000	£2,967,000
2019	3848	£50,322,000	£52,778,000	£2,456,000	£5,423,000
2020	4299	£50,556,000	£57,899,000	£7,343,000	£12,766,000
2021					

	2016	% against total	2017	% against total	2018	% against total	2019	% against total	2020	% against total	2021
Under Age 5	63	2%	61	2%	194	6%	117	3%	138	3%	
Aged 5-10	1045	35%	1042	32%	1151	33%	1094	28%	1196	28%	
Aged 11-15	1327	45%	1259	39%	1342	38%	1353	35%	1432	33%	
Aged 16-19	499	17%	796	24%	730	21%	1079	28%	1111	26%	
Aged 20-25	29	1%	102	3%	92	3%	205	5%	422	10%	
Total	2963	100%	3260	100%	3509	100%	3848	100%	4299	100%	0