

Schools Forum

11 January 2024

SEND & Inclusion Change Programme Update & Delivering Better Value Programme

Recommendation

Schools Forum is recommended to:

- Note the forecast on the High Needs Block from the Delivering Better Value Programme
- Note and support the projects put in place to achieve the 'Lower Bound Target Mitigation'

1. Introduction

- 1.1. The Council is required to submit a Dedicated Schools Grant recovery plan if the overspend within a financial year is more than 1% of the total budget. This last occurred in 2020, leading to the establishment and delivery of the SEND & Inclusion Change Programme. The implementation of the change programme, along with the movement of funding from schools block to high needs block and additional funding from central government meant that overspend was within 1% in 2021, 2022 and 2023.
- 1.2. As noted earlier in the meeting the High Needs Block is forecast to be significantly overspend in 2023/24, by over 1% of the total DSG. This is due to increases in the number of children with EHC plans, increases in the number of children placed in specialist provision and increases in unit costs. As a result, a deficit management plan will be need to be submitted to the DfE.
- 1.3. Schools Forum is also aware that the Warwickshire has taken part in the Delivering Better Value programme. The programme has been established by DfE for 55 local authorities (with 34 in the Safety Valve programme) to address overspend on the High Needs Block. The programme includes forecasting future spend, and then identifying a small number of high impact projects. The DfE consider grant applications of up to £1m for one year of transformation funding. Warwickshire has submitted a grant application in December 2023 and is awaiting decision. A condition of the grant is to provide a deficit management plan. A summary of this is provided below.
- 1.4. Please note that the SEND & Inclusion Change Programme is being incorporated into a wider Education Transformation Programme for 2024/25. Whilst the Delivering Better Value Programme will form part of this wider programme, the intention is to provide updates on progress on the Delivering Better Value element to Schools Forum going forward.

2. Delivering Better Value

Analysis

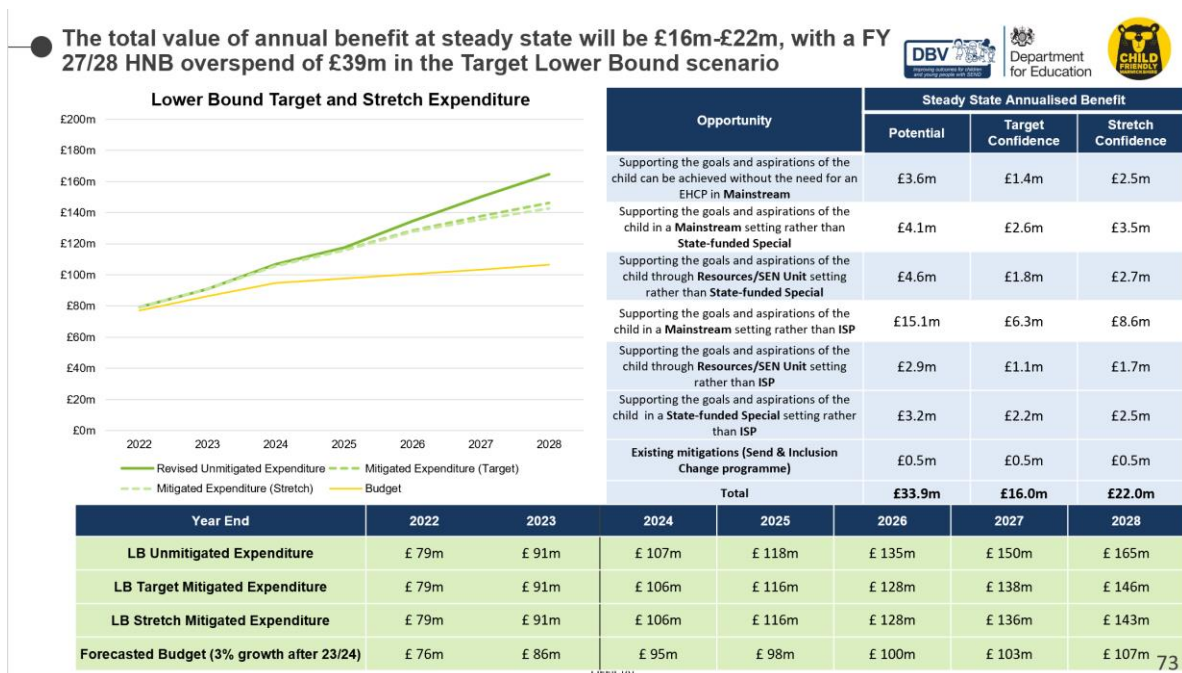
- 2.1. At the November meeting of Schools Forum, a number of slides were shared showing the analysis of the Delivering Better Value programme. This included:
- Warwickshire has a higher number of requests for EHC needs assessments per head of population compared to national averages
 - Warwickshire has less children with EHC plans in mainstream schools compared to other areas
 - A lack of parental confidence in school inclusion and communication (eg. reasonable adaptations)
 - Through case reviews, it was considered that a significant proportion of children with EHC plans could be supported in SEND resourced provisions rather than special schools
 - Numbers of children in independent specialist provision had been declining until 2022/23
 - Unit costs had remained steady until 2023

Forecasting

- 2.2. All local authorities follow a standard methodology for forecasting future spend on the High Needs Block based upon caseload, placement and duration.
- 2.3. At time of writing, the number of children and young people with EHC plans is 5,898. The unmitigated forecast shows that this will increase to 7,741 by 2028 on current trends. Due to an expectation of continued demand for specialist provision and the limited number of state special school places, the percentage placed in independent specialist provision is expected to rise to 11.3% (currently 6.1%).
- 2.4. The forecast includes an upper bound and a lower bound. In order to reduce this, Councils have been asked to identify projects to mitigate the overspend with 'target' reduction and 'stretch' reduction.
- 2.5. Through consultation with stakeholders, including Schools Forum, four projects have been identified for use of grant funding:
- Roll-out of the Inclusion Framework trial to two further families of schools (three in total) to improve SEN Support in schools
 - A workforce development programme – to be designed with school leaders to maintain support and confidence for supporting children with EHC plans in mainstream schools
 - Establishment of more SEND Resourced Provisions – as an additional level of provision and an alternative to specialist provisions where appropriate
 - Digital infrastructure – investment and development of the system supporting children with EHC plans to improve communication and confidence

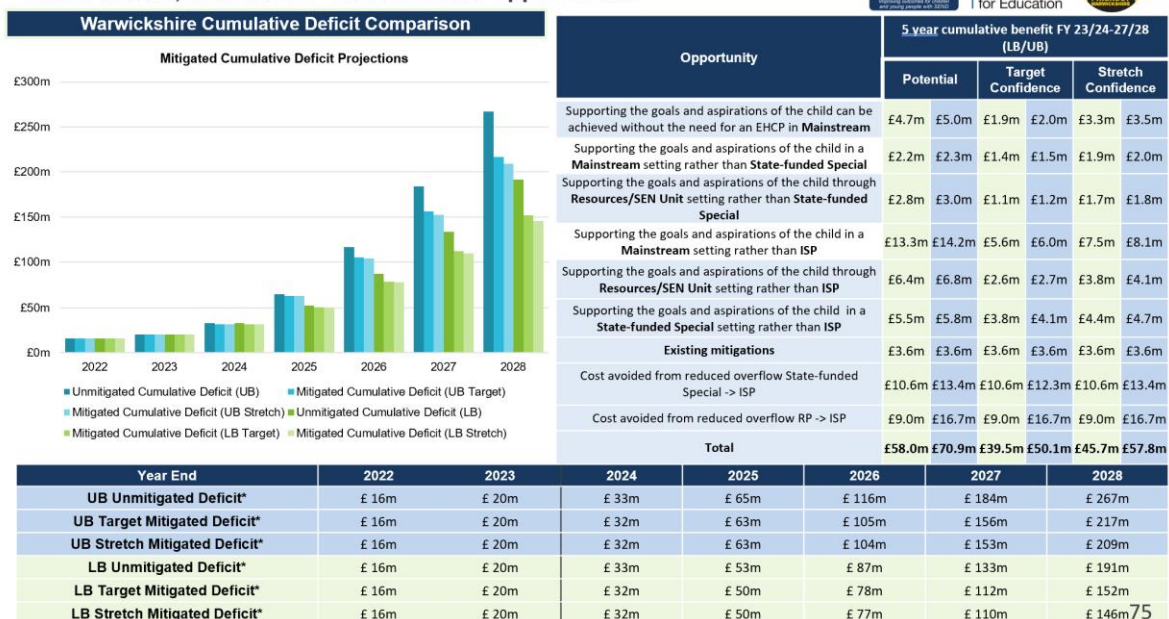
2.6. There are existing mitigations already in place through the growth of the Warwickshire Academy (special school established in 2022), extensions to Oak Wood and Evergreen special schools and development of the supported internships offer.

2.7. The Council submission has taken the lower bound of the unmitigated forecast as the forecast position and has set the 'target' level as its ambition. The forecast below shows the 5 year forecast. In the lower bound target mitigated expenditure scenario, the impact of the programme will be to reduce annual expenditure from £165m to £146m in 2028 (reducing the overspend from £58m to £39m in year).



2.8 As the High Needs Block is not expected to balance, there cumulative deficit is forecast to increase. In the unmitigated scenario, this is a £267m deficit by 2028. In the lower bound target mitigated scenario this is a £152m deficit by 2028.

5 Year cumulative benefit by 2027/28 will be £39.5m-£45.7m in the Lower Bound, and £50.1m - £57.8m in the Upper Bound



2.9 Whilst information regarding other local authorities in the programmes is not disclosed, a report in a weekly educational journal reported that 22 local authorities ahead of Warwickshire in the Delivering Better Value Programme with deficits ranging from £10m to £560m.

3. Other measures

- 3.1. Council representatives, both elected and officer, continue to make representations to the Department for Education for additional funding.
- 3.2. Following the decision of Schools Forum not to move any funding from Schools Block to High Needs Block in November 2023, the Council has also submitted a disapplication for consideration by the Department for Education for a decision in January 2024.
- 3.3. As noted in the earlier paper, the December Cabinet paper recommends that no further contributions are made to the offset reserve from Council tax funding for overspend on the DSG.

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