



# Report to Schools Forum

**Date: 7<sup>th</sup> December 2021**

**Title: Update on the Dedicated Schools Grant (DSG) Deficit Management Plan**

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**Recommendations:** Schools Forum is asked to note the recommendations for investment in early intervention and support agreed by the DSG Spending Review Group for inclusion in the budget setting for the High Needs Block in 2022-23.

## Purpose of the Report

- 1.1. This report provides an update on the work of the DSG Spending Review Group and the development of proposals to support early intervention for pupils with SEND.

## Background

- 1.2. The DSG is a ring-fenced specific grant that must be used in support of the schools budget for the purposes defined in the School and Early Years Finance (England) Regulations. Any LA with an overall DSG deficit must co-operate with the Department for Education (DfE) in handling that situation.
- 1.3. The DSG Spending Review Group meets monthly and in the last two meetings has prioritised the discussion on Workstream 3 of the management plan – EHCP Demand Management (SEN Support)
- 1.4. To support the discussion reference was made to a number of case studies published by the DfE in the following document [Sustainable high needs systems - case studies \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/94444/sustainable-high-needs-systems-case-studies.pdf) which provides case studies of actions taken by other local authorities to support their DSG management plans and to reduce spend in a sustainable way and of the impact of those actions.

## EHCP Demand Management (SEN Support)

- 1.5. At the meeting on 2<sup>nd</sup> November the DSG Spending Review Group considered further analysis of current spend on supporting pupils without plans and reviewed

data on requests for EHCPs, issuing of plans and ceasing of plans. This enabled discussion on key focus points for investment and support.

- 1.6. Based on those discussions, a proposal has been developed for investment to create 3 Area Inclusion Officer posts to work with schools, taking a whole school approach to inclusion and support for pupils at SEN Support. The 3 posts have initially been costed at £250k and assumed to be in place for September 2022.
- 1.7. Further work has now taken place to develop role descriptions and to discuss the proposals and potential impact further with head teacher colleagues through PEB and BASH at the December meetings of those groups.
- 1.8. The DSG Spending Review group also considered how the impact of any actions could be measured. Initial indicators could include numbers of EHC Plans and numbers of pupils transferring to specialist provision, financial impact could be modelled against those indicators based on average unit cost information presented previously to Schools Forum. Further work will take place to consider how the impact of earlier intervention could be measured.

## Next Steps

- 1.9. Further discussion with head teachers through PEB and BASH to develop the proposed roles and understand the potential impact.
- 1.10. Financial modelling of proposed impact measures.
- 1.11. Final proposal to Schools Forum as part of the budget setting process in January 2022.

