

# DSG Management Plan (High Needs Block Recovery)

## Schools Forum Update

14<sup>th</sup> July 2022

# DSG 2021-22 outturn

Blocks	Opening DSG at 01/04/21	Budget	Outturn 2021/22	Outturn Variance 2021/22	Closing Balance
	£m	£m	£m	£m	£m
Schools Block	0	136.3	136.3	-	-
Central Block	0	2.9	2.9	-	-
High Needs Block	17.0	43.4	48.0	4.6	21.6
Early Years Block	0	19.6	18.7	-0.9	-0.9
<b>Total</b>	<b>17.0</b>	<b>202.2</b>	<b>205.9</b>	<b>3.7</b>	<b>20.7</b>

- The DSG outturn deficit position compared with Q3 forecast has decreased by £3.0m from £6.7m to £3.7 and the cumulative DSG deficit is £20.7m.
- The £3.0m movement between Q3 and outturn is as a result of a favourable movement of £2.1m on the High Needs Block (HNB) and £879k on the Early Years (EY) block.
- The HNB movement is due to reclassification work between HNB and general fund codes (£1.0m); HNB in-year demand lower than forecasted as a result of management actions (£0.6m); and alternative HNB funding sources for pupil placements (£0.5m).
- The EY movement follows the notification of the DfE 2021/22 EY recoupment relating to 2020/21 and the final in-year position, the Early Years closing balance is £879k.

## DSG Forecast

- New forecast improved from that reported at quarter 3 2021-22 due to:
  - Inflation forecast change (worsening)
  - Demand mitigations being factored in
  - Improvements in in year demand/place funding
- Committed to bringing HNB into a balanced position over the 5 year period
- As yet to quantify the precise impact of new initiatives, but will aim to do so at pace over the summer
- Given statutory requirements, and current funding mechanisms, it will be challenging to achieve an in-year £13m saving by 2027/28 (equates to 15% of forecast spend)

# DSG Unmitigated Forecast for 2021-22 to 2027-28



<b>High Needs Block: Forecast Grant and Expenditure with mitigating actions</b>	2021-22 draft outturn position						
	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	£m	£m	£m	£m	£m	£m	£m
<i>Estimated base expenditure</i>	47.999	47.999	53.759	59.135	65.048	71.553	78.708
<i>Demand increase (10% per annum)</i>		4.800	5.376	5.913	6.505	7.155	7.871
<i>Inflation increase (5% 22/23; 3% thereafter)</i>		2.400	1.613	1.774	1.951	2.147	2.361
<i>Estimated expenditure after demand and inflation</i>	47.999	55.199	60.748	66.822	73.505	80.855	88.940
<i>Previously actioned demand mitigation (3% 21/22)</i>		-1.440	-1.613	-1.774	-1.951	-2.147	-2.361
Expenditure after previously actioned demand mitigation	47.999	53.759	59.135	65.048	71.553	78.708	86.579
Estimated HNB grant (22/23 actual and 8% increase thereafter)	43.406	50.048	54.052	58.376	63.046	68.090	73.537
In year forecast (deficit)/surplus before impact of action plans	-4.593	-3.711	-5.083	-6.672	-8.507	-10.619	-13.042
Deficit brought forward	-16.900	-21.493	-25.204	-30.287	-36.959	-45.466	-56.085
Forecast deficit at the end of the year before impact of action plans	-21.493	-25.204	-30.287	-36.959	-45.466	-56.085	-69.127
Previous reported position April 14th DSG Management Plan	-22.918	-29.312	-38.499	-50.328	-63.782	n/a	n/a

## Safety Valve Intervention Programme

- The DfE began this programme in 2020/21 and have continued with further authorities in 2021/22, targeting the local authorities with the highest DSG deficits
- LAs to develop substantial plans for reform to their high needs systems, with support/ challenge from DfE experts
- If a local authority can demonstrate sufficiently that their DSG management plan creates lasting sustainability and are effective for children and young people, including reaching an in-year balance as quickly as possible, then the DfE will enter into an agreement with the authority
- There is £300m available over 3 years for a further 20 LAs in 2022/23 and the DfE will run two rounds of the intervention programme. Haringey has been selected to take part in round one of two of the programme, commencing in 2022/23, as we have one of the highest DSG deficits in the country
- Haringey Chief Executive, Director of Finance, Director of Children's Services and other officers, met with representatives of DfE on the 8<sup>th</sup> June to discuss an invitation to participate in the DfE Safety Valve (SV) Programme and it was agreed the process would be within a climate of trust, transparency, and collaboration.
- Schools will be a critical partner in successful delivery of the Safety Valve programme. Progress reports will continue to be reported to the Schools Forum to ensure shared ownership in managing risks, mitigation and implementation of the programme.
- Cabinet approval will be required to engage with the Safety Valve programme.

## Safety Valve Intervention Programme

- Haringey's cumulative DSG deficit is significant, continuing to increase and is unsustainable with an unmitigated forecast position of £69.1m by 2027/28
- Whilst the DSG Management Plan actions may mitigate the level of overspend increasing, it is not anticipated that the Council will be able to clear the cumulative deficit.
- Significant work has been completed over the past year on internal housekeeping, with a number of projects underway to mitigate against the increasing overspend, providing increased confidence in the council's DSG financial position as we continue to engage with the DfE.
- The DfE outlined the objectives, parameters, and process of the programme which was followed by a presentation from Haringey on its current SEND context, financial position, and its current plans to deliver the programme which was followed by questions and discussion.
- The DfE representatives made clear that this represented a one-off opportunity to agree "a deal". The negotiations will lead to the DfE proposing how much of that eventual deficit they will meet.
- The council has been advised to explore all options to reach a sustainable plan, such as use of General Fund, Capital monies and de-delegation of School Block to help reduce the HNB deficit and secure a deal
- The DfE have set a target of September 2022 to agree the plan and related deal, which will require final approval by ministers
- There will be continued discussion and support from DfE throughout and they have advised us that we should be working towards submitting a proposal. Work is underway to draft proposals with an updated DSG management plan.

# Strategy to address spend



1. Remodeling financial support to mainstream schools for children with SEND using monies from HNB  
(to be delivered by academic year 2023-2024)

- **Phase one:** Building a picture of the context around SEND in Haringey (January – March)
- **Phase two:** Shaping options and proposals for the future system (April - June)
- **Phase three:** Recommendations and Implementation plans (July to September)

Three workshops were held in April and May 22 and have identified a range of short-term improvements and long-term strategic options to be explored and progressed, including reviewing SEN contingency and bandings and top-ups to schools and increasing the roles of schools clusters in creating CPD and resources to support children with SEND across a locality footprint.

Further work will be co-produced and facilitated with ISOS and an options paper will come to Schools Forum in October with recommendations and implementation plans.

# Strategy to address spend

## 2. Increase SEND Sufficiency in borough to drive down external placement costs via schools' buildings Masterplan Project (to be delivered within four academic years 2022 – 2026)

Provision of Autism Unit in mainstream secondary school.

Increased offer for children with high functioning autism at The Grove (Academy provision)

Improved offer for children with complex needs

Provision for children and young people with SEMH

SEND Capital funding approved to develop 35 additional places to increase provision in borough for children and young people with SEMH/Autism from Sept 22: 12 places at Riverside , 21 places at The Grove and 6 places at Mulberry Provision

Options being explored to develop secondary resource hub provision for ASC/SEMH with remaining SEND Capital monies. The final model will be based on the outcome of the SEND Education placement analysis.

Masterplan development in progress. Includes specific schemes to increase in-borough capacity for SEND and AP education provision, with clear objectives long-term SEMH provision and autism units attached to schools. Decisions regarding agreed masterplan and consultation expected in Summer 2022 following engagement with Members. Special CPSG has approved overall shape and committed funding to next steps. Anticipated that the major proposals for AP and SEND provision may be underway by 2024-26, subject to Member support for prioritisation.

SEND Education Sufficiency Strategy to be developed for 2022/23.



# Strategy to address spend

## 3. Improve Preparation for adulthood services and pathway via SEND Strategy (to be delivered within 2022-2023)

Improved performance in relation to Annual reviews to ensure provision is in accordance with outcomes

Annual Review recovery plan has started, with revision of paperwork and briefings to SENDCOs already actioned. Co-production meetings are now BAU.

Performance in relation to timeliness and quality of EHCPs indicates improvements in service delivery and an increasing number of Annual reviews are being completed.

Improved offer of pathways to employment including supported internships.

PFA strategic action plan drafted informed by task and finish groups focusing on priorities as outlined below. Engagement activities completed with young people, parents and carers.

- Good Health
- Employment
- Independent living and housing
- Friends, relationships and community

Commissioning framework and brokerage service address cost of post-18 provisions.

MTFS proposals for SEND Contract and QA role approved, recruitment underway with appointment as soon as possible. Key priority for this post to work with service to develop robust commissioning and QA framework for education placements.

# Strategy to address spend

## 4. Improve pathways and services for children and young people with SEMH needs via Model For Change programme (to be delivered within four academic years 2022 – 2026)

Provision of nurture hub model with an 'in-reach' and 'outreach' service.

A nurture hub pilot has been in place since February 2021. An interim evaluation was carried out and identified some areas of positive impact as well as areas for further definition and development. Work is being undertaken to refine the approach and determine the model going forward including options for how primary schools can be supported better as part of a comprehensive SEMH pathway. Schools are keen to be involved in delivery are being brought together to develop model.

Deliver a sustainable funding model

CYP Mental Health and Wellbeing – Revised Transformation Plan recently completed with focus on several strands supporting Model for Change and SEMH, with a schools' focus. DfE AP Taskforce Project (2021-2024) in place at HLP – joint work with CAMHS to recruit Clinical specialist to multi-disciplinary task force team. CAMHS Trailblazer pilot has been extended to all schools.

Deliver effective therapies provision and timely support to children by reviewing CAMHS offer in Borough

Work has commenced to develop improved pathways for CYP with SEMH. Initial workshop has been held and further work planned with partners to review current provision and develop a robust, clear pathway, across a continuum of need. It is anticipated that a clearly articulated SEMH pathway could be set out by Autumn 2022 with implementation over the months to April 2023.

Develop sufficiency of provision.

Implementation of Haringey's Model for Change strategy began in April 2020. With a significant proportion of Phase 1 actions completed, a review of MfC has been carried out in November 2021. The output will be a refreshed action plan for the next 12-18 months due to be presented to the Commissioning Board at the end of May 2022

# Strategies to address spend

## 5. Other key areas identified but not included within DSG management plan yet

Improved graduated response for 'Therapies'

The development of Strategic Action plan for the Speech, Language and Communication offer in the borough. A new pathway for universal, targeted, personalised and specialist SLCN across the borough will be put in place over the next year. The universal pathway will be implemented within the Autumn term. This Expected to impact on future demand through increased models of earlier intervention and waiting times for access to SLC intervention. Detailed action plan drafted, critical and systems buy-in. Specific link to workforce skills development aligned with Early Years Strategy.

Ceasing of DSG allocation to Early Help

DSG classifications work completed, resulting in £970k in year reduction of overspend. Allocation of £1.3m from the HNB has ceased.

Early Years Review

Early Years Strategy will be published for consultation imminently, clear link with Best start in life which includes strong focus on Speech, Language and Communication Needs across the workforce, earlier identification and expertise to support better all young children with emerging SEND needs in early years settings and reduce demand for EHCP's. Also focus on Information, Advice and Guidance and on support to parents from birth.

Family Hubs

Haringey is one of 75 LA's who are eligible for Best Start for Life funding, early stages attending selected webinars, project group being developed. Programme plan to be delivered over 3 years though a universal and targeted offer across: parenting, perinatal mental health, parent/infant feeding and relationships, home learning, 6 action areas: welcoming hubs for 0 – 19 physically, virtually and via outreach, accessible info, confident and competent multi agency workforce, data, evaluation, impact and leadership. Plan to be submitted by Sept, great investment for Haringey.