

TITLE DSG Safety Valve

FOR CONSIDERATION BY Schools Forum on 12 October 2022

WARD None Specific;

LEAD OFFICER Director, Children's Services - Helen Watson

OUTCOME / BENEFITS TO THE COMMUNITY

This reports forms part of regular reporting to Schools Forum, informing areas of statutory decision making and improving visibility and consultation on High Needs Block and wider Dedicated Schools Grant (DSG) financial matters.

RECOMMENDATION

- Schools Forum is asked to note to the contents of this report.
- Schools Forum welcomes the work that has been undertaken in the development of the proposals.
- Schools Forum is asked to provide support in principle to the contents of the report being taken forward on to next steps.
- That upon feedback on negotiations with schools and the ESFA detailed calculations will be built into budget decisions by Schools Forum going forward as appropriate.

SUMMARY OF REPORT

The report provides Schools Forum with an update on actions and plans to reduce the High Needs Block overspend and the overall DSG deficit via participation in the DFE/ESFA Safety Valve programme.

The report sets out the workstreams being proposed into the Safety Valve programme leading to a balanced budget position within the life of the programme (5 years).

High Needs Block Update (Safety Valve) October 2022

01. Purpose of the Report

The report provides Schools Forum with an update on actions and plans to reduce the High Needs Block overspend and the overall DSG deficit via participation in the DFE/ESFA Safety Valve programme.

02. Recommendation

Schools Forum is asked to note and support the contents of this report.

03. Background

Given national pressures in SEND budgets, a national commissioner has been appointed to work with councils, scrutinise the plans to reduce DSG overspends and provide challenge where appropriate and to determine the nature and level of ongoing support to be provided by the Education and Skills Funding Agency (ESFA) & Department for Education (DfE) in relation to the plan. These arrangements are known as the Safety Valve programme.

The DfE are expanding the programme to work with a larger cohort of local authorities, and are running two rounds of the intervention programme in 2022-23. Wokingham has been selected to take part in the second round of the intervention programme, which will begin formally in October

Wokingham has a profile of significant increase in the number of EHCP's being maintained by the Local Authority over the coming years. (Fig. 1)

Fig. 1

Number of CYP supported by the high needs block (with estimated future projections)									
January	2018	2019	2020	2021	2022	2023	2024	2025	2026
Under 5	26	27	36	46	72	114	139	162	200
Age 5 to 10	264	277	341	418	480	614	714	836	1,018
Age 11 to 15	317	342	372	412	507	521	557	635	680
Age 16 to 19	225	238	253	278	288	365	425	452	490
Age 20 to 25	35	50	76	116	141	186	231	251	287

Total number by Age Group	867	934	1,078	1,270	1,488	1,800	2,066	2,336	2,675
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Although absolute numbers are small, between 2019 and 2022 there has been an 81% increase in the numbers of children aged up to 10yrs old with EHCPs. Increases in the numbers of children at early curriculum years have potentially significant implications for increased demand for services and support in coming years and thus a projected increase in HNB overspend and the cumulative deficit within the DSG.

Fig. 2

	Current Year	Year One	Year Two	Year Three	Year Four	Year Five
		2023/24	2024/25	2025/26	2026/27	2027/28
	£M	£M	£M	£M	£M	£M
Cumulative Deficit with no Mitigations	14.9	29	43	66.1	107.7	119.6

Left unchecked, with no mitigations or management of the demand, this spiralling increase will create capacity issues in terms of the delivery of support leading to poor outcomes, increased complaints and tribunals and a clearly unsustainable and untenable budget position. (Fig 2)

04. **Safety Valve Programme**

The safety valve programme has been developed by the DfE and the ESFA to respond to local authorities where the deficit (overspend) is proportionally significant and is the highest level of programme whereby support is being offered. There are other programmes of support for those LA's where the financial issues are not quite as challenging.

As part of the Safety Valve Programme the LA must submit a Deficit Management Plan detailing the current position and future unmitigated trends, and the actions proposed to mitigate those trends and bring the DSG to a balanced budget within the period of the safety valve programme (5 years).

As part of the programme the Commissioner and ESFA will want to see:

- Strategic planning with education and finance colleagues
- A demand management approach to EHCP's
- A focus on Early Intervention
- A clear and appropriate Local Authority SEN support offer
- System wide strategic and operational partnerships (working with schools)

- Thorough and appropriate provision mapping and development

To this end we have developed a DSG Deficit Management Plan which aligns with the SEND IIP Priorities to ensure a coordinated approach to system improvement and DSG deficit management. These priorities are:

Strategic Priority 1: **Improve sufficiency of local provision** across all phases

Strategic Priority 2: **Improve quality of local provision** and facilitate capacity building

Strategic Priority 3: Improve **Engagement and Communication** with key partners

Strategic Priority 4: **Improve data quality, analysis and related information systems to support an evidence-based approach to commissioning** and to support greater accountability

Strategic Priority 5: Improve Transition at All Stages including improvements to Preparation for Adulthood

There are 24 key workstreams being proposed to be delivered during the five-year Safety Valve programme. These are detailed below.

Safety Valve Workstreams

Specialist Provision Development	<p>This workstream purpose is to develop a continuum of SEND Provision to meet local demand to ensure that appropriate provision is available, in the right place at the right time.</p> <p>In 2021 a SEND Sufficiency Review was completed which concluded:</p> <ul style="list-style-type: none"> - Insufficient provision locally to meet the needs of Wokingham Children in the context of increasing demand - Best use is not currently being made of the provision that is funded and currently available locally <p>A comprehensive needs assessment has been undertaken and the development of two new SEND Schools has been identified. An expression of interest has been made to the DFE to bid for round 15 of the SEND Free School Bid.</p> <p>This investment in new special free schools aims to provide children and young people with good quality provision in their local area, which in turn will reduce the time and money spent on transport. Investing in new special free schools will reduce the use of more expensive provision, with a view to delivering a local system which both meets local authority needs and is financially sustainable.</p>
Resource Bases and SEND Units	<p>This workstream seeks to finalise the review into the existing resource base provision, understand the needs of the SEND cohort, identify the gaps in provision locally</p>

	<p>and move from the current model of resource base provision to the continuum of support.</p> <p>There are three key elements of the proposal and recommendation to:</p> <ul style="list-style-type: none"> - Re-purpose existing Wokingham resourced provision to better meet demand and needs identified in the needs analysis - Create new type of provision – SEND Units, which seek to close the gap between resource bases and special school provision. - Implementation of robust accountability, monitoring and review mechanisms.
Assessment Centre	<p>The development of an early year assessment centre to align needs with provision is key to managing demand and the need of CYP appropriately. The impact will reach across all provisions specifically Resource / SEND Unit and Special Provisions. With a projected 5% saving on early years cost. Due to the continued growth of the early years EHCA and EHCP numbers this will allow for greater planning and time to assess children effectively.</p>
Universal Banding Mechanism	<p>Develop a clear ‘needs led’ banding model which is implemented consistently across mainstream schools, early years settings and FE colleges, resource bases/units</p>
SEN Support / Inclusion	<p>The development and implementation of a SEND Support Service to focus on K Coded children, Ordinarily Available, and consistency across the local area will impact all settings with a focus on mainstream and link with the transitions project.</p> <ul style="list-style-type: none"> - Responsible for the overall assessment, decision making and quality assurance of assigning a K code to a child or young person. - Responsible for the QA of assess, plan, do, review and use of notional SEN Budget across the local area. - Responsible for the support given to schools for teaching and learning practice across the whole age range. - Ordinarily Available - Transitions of K and E coded children - Intervention’s development - Consistency across the local area - Responsible for data and Projection support, advice for the BEP, LAP, and Schools forum in making strategic decision around sufficiency and need. - Run and chair vulnerable learners and early years panel
Transitions	<p>The transition project will map and track all K coded and E coded children. In year one they will take over from the base groups created by the IIP for mapping children with an EHCP and incorporate all K coded children.</p>

	<p>The project team will develop extensive tracking and data systems to manage and project the need. The project team will co-produce all interventions and expectations for transition risks</p> <p>The project team will work collaboratively with the HOS, Headteachers, SENDCO's, Team Manager for SEND, PEP, Health and commissioning for streams of work and delivery for those children that will struggle with change of base that education is held.</p>
Local Offer	<p>Redesign and redevelopment of the Local Offer is a key enabler of better outcomes and reductions in costs. The key idea that underpins this assertion is that strengthening and enhancing the timeliness and effectiveness of information, advice and guidance to families (along the principles of right support, right time) will help reduce the pressure on services, assessments and requests to access costly support.</p> <p>The Local Offer has historically been treated as an online platform which parents and carers can use to find information about support and how to navigate/access services. In the light of feedback from parents and carers, and as a result of substantial ongoing coproduction, the Local Offer is being reimagined and redesigned as a proper support service for families, including a small but efficient contact centre managed by experts in SEND, who will help to ensure families get support appropriate to their needs, rather than getting "stuck in the system" in a way that drives costs to the HNB and does not get families the support they require.</p> <p>The project is being taken forward with full engagement and coproduction with the Parent Carer Forum and SENDIASS service, and will be informed by best practice in the sector and joint working with geographical neighbours. Options to collaborate / jointly commission with other local authorities including geographical neighbours will be explored as part of the project.</p>
Outreach Foundry	Develop the current Outreach Offer at Foundry College to create a fit for purpose service which is fully traded with schools.
Outreach Addington	Develop the current Outreach Offer at Addington to create a fit for purpose service which is fully traded with schools.
Outreach Early Years	Develop an Outreach Offer to create a fit for purpose service which is fully traded with early years settings.
ENF / Vulnerable Panel	Re-organisation of the ENF panel to incorporate wider support for vulnerable children linking to the SEND Support Service and funding for early intervention and support for schools presenting ideas and interventions in

	line with increased inclusion to reduce EHCA and increase confidence
SENDCO Network	<p>Dedicated network for training and development and ongoing changes to promote OA and SEND Support on offer within schools.</p> <p>Model to be developed in line with transitions and SEND Support / Early Years Strategy to create feeder model of SENDCO support from EY - Primary - Secondary and PFA</p>
Panel Decision Making	Review of current panel process in line with new banding model and transitions work linked to SEND Support Service and link to the EY and ENF / VL Panel.
EOTAS	Dedicated focus project on alternatives to EOTAS after two terms and clear intervention and support via AP to reduce long term EOTAS packages and cost
System / Data	Procurement of new and appropriate system to support LAP, SEND, Commissioning and Finance and produce clear data driven evidence to support strategic decisions
INMSS Commissioning and Quality Assurance	<p>Until the local SEND provision is more fully developed, the LA accepts that commissioning from the INMSS sector is going to be necessary and our focus over the next year will be to ensure :</p> <ul style="list-style-type: none"> - Best value for existing placements (agreeing fees, making sure fees are reviewed annually in line with progress and provision delivered) - Quality Assurance of existing placements in partnership with social care where appropriate to improve LA oversight of placements, outcomes, transition arrangements and annual reviews - Improved partnership working with the Framework group to increase participation of providers on to the south west and south central SEND framework which will improve terms and costs for WBC. - Ensure commissioning processes are robust to ensure best providers are sourced and that contracts are monitored . <p>However it should be noted that at the moment it is a provider led market, demand across the country is high and the LA have little choice when consulting with providers and this therefore can mean providers are less likely to offer competitive rates as they can often fill places many times over. This is also in a context of significant financial challenges in cost of living crisis which is impacting on providers costs again meaning many are requesting high annual uplifts.</p>
Early Years	Strengthening support in Early Years is a key strand of our strategic approach to improving outcomes whilst reducing cost and spend. The Early Years strategy involves developing interventions and preventative

	<p>strategies in the Early Years (EY) which aim to reduce the number of requests for EHCPs by meeting needs more consistently across mainstream settings. This combined with strengthening local provision will also help to reduce dependency on costly Independent and Non-Maintained Sector provision. Greater stability through successful transition from Early Years to school is also likely to reduce the number of placement breakdowns in mainstream settings.</p> <p>Key activities within the strategy designed to improve outcomes whilst lowering cost include better use of data for planning and management of services, financial management and commissioning of provision; strengthening Health engagement to improve joint working and commissioning; provision mapping and EY sufficiency work; continued development of the Ordinarily Available offer in EY and Primary; strengthening EY to Primary transitions; strengthening operational efficiency and decision-making; development of training and outreach support; feeding into development of the Local Offer and strengthening information advice and guidance for families relating to EY support.</p> <p>The EY strategy has been prioritised within the SEND Innovation and Improvement Programme, and Children's Commissioning service. The EY strategy work is integrated with the rest of the SEND Innovation and Improvement Programme activity, Safety Valve delivery and work of the Sufficiency Board to provide suitable governance, accountability and oversight. This will enable us to manage the many interdependencies that exist across EY and SEND, whilst also providing opportunities to plan for future demand sooner and more effectively.</p>
OA Health OT, S<	Pilot work to match the IIP OA work in delivering a review on Health specific OA support in OT and S< specifically
Hidden Therapies Cost	Project in partnership with schools, finance, SEND, Health and commissioning to analyse and look at school budgets being used to support current health delivery.
Commissioning Therapies	Options paper / Project to look at wider commissioning opportunities for better value for money on current therapies need aligned with hidden therapy cost work
SE Joint Working	Project for work with Reading, West Berkshire (and other LA's as appropriate) on shared delivery options linked to SEND
SE Joint Commissioning	Project for work with Reading, West Berkshire (and other LA's as appropriate) on joint commissioning options linked to SEND
SEND Transport	Creation of new role specifically aligned to focus on SEND, Place and Admissions and quality, training and

	work with families and school on preparation for transport and independent travel training.
Place Planning	Project Team / Project Officer to review and recommend working solutions to current place planning issues in mainstream schools, while linking up with SEND place planning needs.

As part of the negotiations with the ESFA and Commissioner, the Local Authority will enter into a formal agreement detailing clear targets relating to the workstreams and projected financial savings in exchange for financial contribution to assist in the reduction of the legacy deficit (which in some Safety Valve authorities has been multiple million pound funding over the course of the programme). Quarterly monitoring will take place and as successful a proportion of the financial settlement agreement will be released to WBC.

05. **Next Steps**

In terms of next steps it is proposed to engage with the Borough Education Partnership, Secondary Federation and Primary Headteachers Association, in order to seek their support and co-production on workstreams.

It is proposed that there be feedback to Schools Forum on schools engagement through these forums, and on negotiations being undertaken with the DfE/ESFA Safety Valve team so that any resultant decision making that needs to happen within Schools Forum going forward.

06. **Summary**

Taking account of deficits brought forward over the course of the Safety Valve programme, and the additional unmet growth each year based on the mitigated trends, the savings to be achieved through delivery of the workstreams delivers Wokingham a balanced budget by the end of the period in 2027/28. Detailed work on savings remains ongoing, and we would anticipate the HNB Task & Finish Group we are establishing for the budget process to help validate / sense check savings opportunities.

This profile of savings over the five years will need to be ambitious, with an equally ambitious range of workstreams but with the clear commitment of those tasked to deliver against them and with the support of the whole organisation, our strategic partnerships and our parent and carers we believe that this provides for the best way in which to deliver the balanced budget required through the Safety Valve programme.

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