

Date: 7 October 2021 Item 11 Type of report: For Discussion
Report title: High Needs Management Plan.
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Executive Summary

This report sets out details of the high needs management plan and the current activities and the milestones that need to be met to ensure the required savings are delivered

Schools Forum Actions

That the Schools Forum note the report

Background

- 1.1 The Dedicated Schools Grant (DSG): conditions of grant 2021 to 2022, requires that any local authority (LA) with an overall deficit on its DSG account at the end of the 2021 to 2022 financial year, must be able to present a plan to the Department for Education (DfE) for managing their future DSG spend, when requested.
- 1.2 The DfE have designed a template to help LAs manage their DSG deficit management plan. While they encourage all LAs to use the template as a planning tool it is not mandatory but they believe the format is useful when discussing and sharing complex funding information with internal and external bodies, parent and carer forums and elected members. It should be kept updated throughout the year to reflect the most recent forecast position and be viewed as an on-going live document including being presented at schools forum meetings and any high needs sub-groups at least on a termly basis. In this there will be a standing item on the management plan at each Schools Forum meeting.

2 Management Plan detail

- 2.1 The template the Department use is complex and has a lot of details, mostly around the High Needs Deficit that members agreed at the budget setting meeting in January 2021. It is not the purpose of this report to reconsider that. However the report has been split into two sections, one detailing the governance of the plan which is in Appendix A and a summary of the overall financial position which is detailed in Appendix B.
- 2.2 The recovery plan is predicated on the fact that savings will start to be delivered in 2022/23. As the changes would only be implemented from the September 2022, it means that the savings in the first year would be small compared to the overall total of savings when the plan is in fully implemented. The real challenges will be in the later years of the management plan, although there is no reason to believe that we are significantly off course currently.

3 Funding Settlement 2022-2023

- 3.1 Back in July we received initial details of the funding settlement for next year. For the high needs block rather than receive the minimum amount we will be capped at the maximum settlement amount of 11% per head of population. This sudden change in our fortunes is due to a change in the way the funding formula operates. Part of the formula now recognises historical costs based on actual spend in 2017/18 rather than the previously budgeted levels for that year. In 2017/18 we were significantly overspent, this has in turn now meant that extra funding is allocated to us. There is a maximum amount any local authority can receive, which is set at 11% or roughly £5.5m. If there was no cap we would receive more, around another £3m. However going forward it does mean that we will receive better than the average settlements as the cap is likely to be released. This increase has been incorporated into the figures.