

WIRRAL COUNCIL

SCHOOLS FORUM – 19th MARCH 2024

REPORT OF THE DIRECTOR FOR CHILDREN, FAMILIES AND EDUCATION

DEDICATED SCHOOLS GRANT (DSG) MANAGEMENT PLAN

1.0 EXECUTIVE SUMMARY

1.1 The purpose of this report is to update the Forum on the actions that are being undertaken to develop Wirral's DSG Management Plan.

2.0 BACKGROUND

2.1 The DSG: conditions of grant 2023 to 2024 paragraph 5.2, requires that any local authority with an overall deficit on its DSG account at the end of the 2022 to 2023 financial year, or whose DSG surplus has substantially reduced during the year, must be able to present a plan to the Department for Education (DfE) for managing their future DSG spend.

2.2 As reported at June 23 Schools Forum meeting, the overall overspend of DSG at the end of the financial year 2022-23 was £3.073m with the cumulative deficit position of £4.763m. To comply with the DSG conditions of grant, the DSG management plan needs to be submitted to the DfE.

2.3 Schools Forum is also aware that Wirral has taken part in the Delivering Better Value (DBV) programme. The programme has been established by DfE for 55 local authorities to address the 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. A condition of the grant is to submit a DSG management plan to the DfE with support from the Chartered Institute of Public Finance and Accountancy (CIPFA). Wirral submitted a grant application in December 2023 and it has been confirmed that Wirral has been successful in the grant application for £1m.

3.0 DSG MANAGEMENT PLAN OVERVIEW

3.1 To assist in the planning process, the Education and Skills Funding Agency (ESFA) designed a management plan template to help local authorities to manage their DSG with both statistical and financial information.

The template will help local authorities:

- comply with paragraph 5.2 of the DSG: conditions of grant 2023 to 2024.
- forecast and monitor how DSG funding is spent.
- forecast and monitor numbers of education, health and care plans (EHC plans)
- highlight areas where local authorities may wish to review spending or focus efforts.

- form evidence-based and strategic future plans for the provision of children and young people with SEND
- present complex funding information simply to Schools Forums and other external stakeholders
- share best practice and initiatives by providing a consistent reporting format.

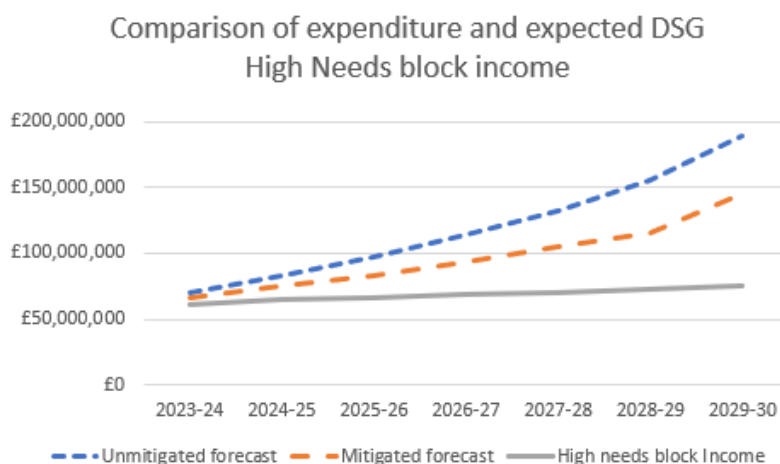
3.2 The DSG management plan provides an unmitigated and mitigated forecast for the period 2023/24 to 2029/30.

- Unmitigated forecast: forecast prior to accounting for any cost reduction and/or invest to save measures in place; a 'do nothing' forecast.
- Mitigated forecast: forecast after accounting for the cost reduction and/or invest to save measures in place.

3.3 Wirral's draft DSG management plan is attached as Appendix 1 – the financial information and forecast have been completed as per the DBV programme grant application requirement. Further work is required for the statistical information for pupils with EHCP.

4.0 FINANCIAL FORECASTING

4.1 The graph below compares the expected DSG High Needs block income for both the unmitigated and mitigated forecasted expenditure. Findings and opportunities from the DBV programme have been utilised in completing the DSG management plan.

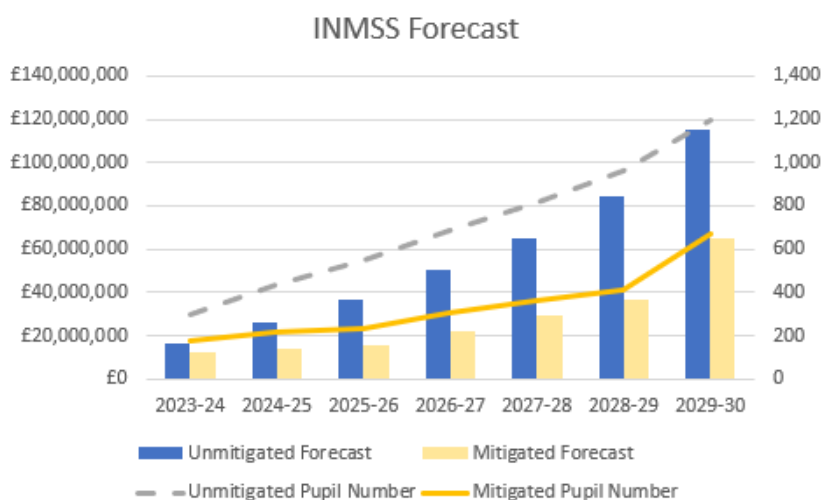


The cumulative mitigated deficit position of each year on the DSG management plan is in the table below.

Cumulative deficit DSG position

| | 2023-24 £,000s | 2024-25 £,000s | 2025-26 £,000s | 2026-27 £,000s | 2027-28 £,000s | 2028-29 £,000s | 2029-30 £,000s |
|-----------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Unmitigated Deficit DSG position | £13,073 | £31,740 | £62,403 | £107,944 | £169,494 | £252,370 | £367,030 |
| Mitigated Deficit DSG position | £9,977 | £20,893 | £37,626 | £62,496 | £96,190 | £138,202 | £208,739 |

4.2 The main reason for the deficit position relates to the Independent and Non Maintained Special School (INMSS) provision type. The graph below shows the number of pupils placed in this provision type and forecasted expenditure for each year. The calculation of the expenditure is based on the DBV unit costs for future years for this provision type.



5.0 EXISTING MITIGATIONS AND OPPORTUNITIES

5.1 The mitigated forecast reflects the mitigations which were planned before Wirral participated in the DBV programme, and new opportunities identified through the programme's diagnostic phase as below:

- Creating additional places at the maintained special schools (MSS)
- 5 year SEND sufficiency strategy that will create approximately 400 Resourced Provision (RP) places.
- New graduated approach to support the school system with earlier identification and support.
- Review of our commissioning of support - specifically in relation to health pathways

5.2 Further opportunities have been identified since the DBV programme diagnostic phase. These opportunities are not yet reflected in the draft management plan and they will be explored further to be included in the management plan in the future.

- Alternative provision free school
- 18-25 provision for complex young people to reduce the pressure on INMSS.
- Review of the top up finding at MSS and RP

6.0 CONCLUSION

6.1 Wirral officers will continue to develop the Management Plan and will report back to the Schools Forum meeting.

7.0 RECOMMENDATIONS

7.1 That the Forum notes the report.

Simone White
Director for Children, Families and Education