

**Please see below:**

**Dedicated Schools Grant Recovery Plan 2019**



## School and Early Years Finance (England) Regulations

### Local Authority Dedicated Schools Grant Deficit Recovery Plan

[Please complete this recovery plan template outlining how you will bring your DSG deficit back into balance within a 3 year time frame. Please complete all relevant fields and return the completed recovery plan to \[financial.management@education.gov.uk\]\(mailto:financial.management@education.gov.uk\)](#)

You may wish to include brief supporting attachments with your request such as forum minutes (if links not available) - these can be added towards the bottom of this page. Spreadsheet calculations should be included on the **Financial Summary** tab.

Attachments should only be included as supplementary evidence and referenced in the 'details of the request' box.

Local Authority	Croydon
Local Authority number	306
Does schools forum agree with this recovery plan and when was it presented to them?	Yes, 10th June 2019
If yes, please provide link(s) to the minutes and action plans from the schools forum agreement	To be added

What plans have you put in place to reduce the deficit in increments over the next 3 years?

Development of local capacity to meet a broader range of needs and reduce reliance on higher cost placement in the independent non-maintained sector - key focus to date has been increase in good or outstanding special school places. Reduction in ind/nm spend placements and Tribunal appeal outcomes in favour of Local Authority have led to reduction in spend and cost avoidance - outcome: £13.5million (2017/18) CHECK to £11.8 (2018/19). The aim of the recovery plan is to reduce spend in the ind/nm sector to £3million over a five year period. The Council was successful in a capital bid to the DfE for a new free special school (ASD and SLD for 2-19 year olds), this is due to open in September 2020. Assuming the new school, Addington Valley Academy is able to meet the needs of more complex children with ASD and learning difficulties this will save £1.3 million at the end of a three year period. \* The Council is investing £3.3 million capital in developing a post 16 SEN Centre for up to 75 young people, key to the success of this provision will be acceptance of a pathway to adulthood transition plan which provides two years further education and a further (Year 14) year which provides a combination programme of two days special education (at the college) and a structured care plan which supports planning and preparing for the young person's longer term support in the community with personal assistance trained, specifically to provide care and access to a programme of supported adult care or supported employment. If successful this will generate £630K savings with a further £330k generated if the combination of education and care provision is offered and accepted in Yr 14. Currently, 40% of the High needs spend is on 17-25 year olds, if the structured special education/supported care pathway is successful and EHC Plans are ceased at the end of Year 14, consistently, this will support delivery of a balanced budget on an on-going basis. Reduction in overall use of specialist education provision, with greater consistency of provision for children with SEN in mainstream schools. Introduction of Inclusion Funding devolved to a locality group of schools to better meet needs early and support provision of a broader curriculum offer, in particular in secondary schools, thereby reducing reliance on MLD special schools. Aiming to increase inclusion of children and reduce reliance on special schools for 100 children - if achieved this will lead to a reduction of £1million. We have started discussions with mainstream schools, through a working group and plan a pilot to start during the academic year 2019/20.

Max word count: 3000

Can you specify how continuous improvement has reduced the deficit/ is going to reduce the deficit? This could include sharing best practice, new contracts, efficiency savings

South London Partnership - fee negotiation and DPS - reduction in cost of ind/nm setting placements - add value. Increase in local state-funded special school places and local FE providers - reduction in spend in ind/nm sector - add value. Development of different approach to funding children in mainstream schools through pilot Inclusion Funding for locality groups of schools.

**Narrative Template**

**Appendix 3**

Max word count: 3000

Please provide details of any previous movements between blocks, what current cost pressures those movements covered, and why those transfers have not been adequate to counter the new cost pressures

Table showing movement since 2013.

Description	Amount £ million
2016/17 High Needs Brought Forward	2.568
2016/17 DSG Top Slice	-1.466
2016/17 High Needs Outturn	4.619
2016/17 Overspend Carry Forward	5.721
2017/18 DSG Top Slice	-2.246
2017/18 High Needs Outturn	5.175
2017/18 Overspend Carry Forward	8.650
2018/19 DSG Top Slice	-1.219
2018/19 High Needs Outturn	5.612
2018/19 Overspend Carry Forward	13.043

This has not had an impact on overall High Needs Block spend due to increased demand with numbers of EHC Plans maintained by the Borough increasing from 1800 (2014) to 3000 (Jan 2019). Legislative change in age range up to 25 years and the lack of a structured pathway of provision from education into care or supported employment has led to continued reliance on EHC Plans and High Needs Funding. This issue combined with increasing numbers of mainstream schools with a deficit or near deficit budget, driving up demand for EHC Plans to meet needs of children in mainstream schools has led to demand outstripping High Needs Block.

Max word count: 3000

Please provide details of contributions coming from the health and social care budgets towards the cost of high needs provision

Joint funded school places – value to be added. Joint funded SALT contract: High Needs Block commitment £867k

Max word count: 3000

Please explain how the LA has discharged its duties under section 149 of the Equality Act 2010, C&F 2014 and common law to consult with those affected by the changes proposed.

SEND Strategy consultation - which outlines the approaches to High Needs Resource allocation set out in this recovery plan was consulted on during the period Dec 2018-31st Jan 2019. The SEND Strategy (attached and published online) was approved by Cabinet in March 2019 and the CCG in May 2019. The High Needs Working Group, Schools Forum and Council's Scrutiny committee have been consulted on the Recovery Plan (dates to be added). The Recovery Plan has been presented to the SEND Board (date), parent views are represented on the Board by Croydon's Parent/Carer Forum.

Max word count: 3000

**Narrative Template**

**Appendix 3**

Please include a summary of the savings/and or measure you propose to implement over the next three years which will reduce the overspend.

Add Row

Delete Row

<a href="#">S1</a>	S1 - (i) Independent/non-maintained special schools (high cost) £1.5m by the end of the 5 year period
<a href="#">S2</a>	S2 - (ii) Independent/non-maintained special schools (moderate cost) £730k by the end of the 5 year period
<a href="#">S3</a>	S3 - (iii) Independent/non-maintained 16-25 £0.63m (possibility for further £0.330m) by the end of the 5 year period
<a href="#">S4</a>	S4 - (iv) Reduction in overall use of specialist provision £0.4m by the end of the 5 year period
<a href="#">S5</a>	S5 - (v) Central SEND spend £0.5m by the end of the 5 year period
<a href="#">S6</a>	S6 - (vi) Other areas £1m by the end of the 5 year period

Please discuss the local circumstances that have contributed to your deficit. Please provide a brief summary of the pressures in the box below and transfer the forecast spend in this area on the financial summary tab via the appropriate link. Local authorities should consider providing budget pressures in the following areas:  
 A) mainstream schools; B) state-funded special schools,  
 C) further education and sixth form colleges,  
 D) independent specialist provision; E) alternative provision

Add Row

Delete Row

<a href="#">P1</a>	Increase in state-funded Special Provision within Croydon, including a new Free School for ASD
<a href="#">P2</a>	change in the complexity of Mainstream state-funded provision within Croydon and an increased commitment to inclusion
<a href="#">P3</a>	Increased spend on state-funded specialist provision within the FE sector working with Croydon FE on a post 16 Centre of Excellence

Please provide any further detail here if required, including any attachments that support your recovery plan and any disapplication reference number.

Schools Forum and Scrutiny Reports

DSG Deficit Recovery Plan

Ref.	Block	Type of provision e.g. special schools	Action e.g. increasing special school places	2018-19	Year 1	Year 2	Year 3	Year 4	Year 5
				2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
				£	£	£	£	£	£
<b>DSG Balance b/f</b>					9,194,000	9,509,000	8,324,000	6,849,000	5,694,000
<b>Savings (figures should be entered as negative values)</b>									
S1					(1,000,000)	(1,500,000)	(2,000,000)	(2,000,000)	(2,185,000)
S2					(150,000)	(150,000)	(250,000)	(250,000)	(446,000)
S3					(150,000)	(150,000)	(150,000)	(150,000)	(150,000)
S4					(300,000)	(300,000)	(300,000)	(300,000)	(300,000)
S5					(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
S6					(75,000)	(75,000)	(175,000)	(175,000)	(408,000)
<b>Total savings</b>				<b>0</b>	<b>(1,775,000)</b>	<b>(2,275,000)</b>	<b>(2,975,000)</b>	<b>(2,975,000)</b>	<b>(3,589,000)</b>
<b>Pressures (figures should be entered as positive values)</b>									
P1					1,000,000	1,000,000	1,000,000	1,000,000	478,000
P2					1,000,000	0	0	0	0
P3					90,000	90,000	500,000	820,000	1,000,000
<b>Additional Pressures (figures should be entered as positive values)</b>				<b>0</b>	<b>2,090,000</b>	<b>1,090,000</b>	<b>1,500,000</b>	<b>1,820,000</b>	<b>1,478,000</b>
Cost reductions from impact of recovery plan				0	315,000	(1,185,000)	(1,475,000)	(1,155,000)	(2,111,000)
Total DSG forecast overspend									
Net in year impact on High Needs DSG				0	315,000	(1,185,000)	(1,475,000)	(1,155,000)	(2,111,000)
Estimated High Needs Block change (additional grant)									
Approved transfer of schools block to HN block									
Other adjustments									
<b>Net in year Forecast Outturn Variance</b>				<b>0</b>	<b>315,000</b>	<b>(1,185,000)</b>	<b>(1,475,000)</b>	<b>(1,155,000)</b>	<b>(2,111,000)</b>
<b>DSG Balance – show a deficit as a positive value</b>				<b>9,194,000</b>	<b>9,509,000</b>	<b>8,324,000</b>	<b>6,849,000</b>	<b>5,694,000</b>	<b>3,583,000</b>
				<b>DEFICIT</b>	<b>DEFICIT</b>	<b>DEFICIT</b>	<b>DEFICIT</b>	<b>DEFICIT</b>	<b>DEFICIT</b>

Independent Placements (8,685,000)  
 State-funded Out of Authority Provision (1,246,000)  
 Better FE College Pathway (750,000)  
 PRU/AP/Beckmead (1,500,000)  
 Centrally Funded Support (500,000)  
 Other - Merging Schools, Re-allocation (908,000)  
**(13,589,000)**

Special School Provision 4,478,000  
 Mainstream Provision 1,000,000  
 Croydon Centre of Excellence 2,500,000  
**7,978,000**

**Education, Health and Care Plans**

	Number of CYP with Statements / EHCPs	Total HNB	Outturn	Cumulative
2016	2217	£50,896,000	£53,465,000	
2017	2491	£51,418,000	£56,037,000	
2018	2693	£55,532,000	£60,707,000	
2019	2999	£56,639,000	£63,179,000	
2020				
2021				

	2016	% against total	2017	% against total	2018	% against total	2019	% against total	2020	% against total	2021	% against total
Under Age 5	99	4%		-	265	10%	132	4%		-		-
Aged 5-10	840	38%		-	1041	40%	1072	36%		-		-
Aged 11-15	965	44%		-	994	38%	1092	36%		-		-
Aged 16-19	313	14%		-	293	11%	601	20%		-		-
Aged 20-25	0	0%		-	17	1%	102	3%		-		-
<b>Total</b>	<b>2217</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>2610</b>	<b>100%</b>	<b>2999</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>