

**CHILDREN AND FAMILIES OVERVIEW AND SCRUTINY COMMITTEE – 3**  
**SEPTEMBER 2023**

**QUESTIONS ASKED BY AN ELECTED MEMBER UNDER**  
**STANDING ORDER 7**

**Question asked by Mr. M. Hunt CC:**

“Earlier this Summer the Director of Corporate resources said that without new interventions the High Needs block deficit is forecast to continue to increase over the MTFS period and is not financially sustainable, despite the improved position in 2023/24. This creates a significant and unresolved financial risk to the Council. What new Interventions are we likely to see and what impact are they expected to have on the end of year outturn?”

Would the Chairman provide a table of annual savings budgeted for annual savings achieved and the end of year accumulated deficit from 2022/23 and relevant projections to 2027/28?

The TSIL Programme is focussing significantly on ensuring that all data within the SEND system is robust and this has focused in part on data on individual pupils. Could the Chairman state how this has been conducted and whether parents or guardians have relevant access to the data”.

**Reply by the Chairman:**

As part of the continuous improvement phase of TSIL, future cost reduction opportunities of up to £12.7m have been identified. Areas identified include improved commissioning and effective management of Independent Special School places, ensuring appropriate contributions from partners, effective EHCP reviews and transitions to adulthood. As savings under development, it is not expected that they will deliver any financial impact on the 2024/25 outturn but can be expected to impact on future years.

The current financial position on the Dedicated Schools Grant forecast at the end of the first quarter of 2024 is shown in the table below. The position is currently under review now that pupil destinations for the 2024/25 academic year are known.

	2024/25 £,000	2025/26 £,000	2026/27 £,000	2027/28 £,000
Grant Income	-109,176	-112,430	-115,781	-119,233
Placement Costs	117,490	129,398	142,392	156,622
Other HNB Cost	11,665	12,265	12,265	12,265
Commissioning Cost - New Places	162	37	0	0
<b>Total Expenditure</b>	<b>129,317</b>	<b>141,700</b>	<b>154,657</b>	<b>168,887</b>

<b>Funding Gap Pre Savings</b>	<b>20,141</b>	<b>29,270</b>	<b>38,876</b>	<b>49,655</b>
TSIL Programme Defined Opportunities	-3,788	-10,976	-19,195	-27,666
Increase in Local Specialist Places	-2,265	-5,472	-9,000	-12,579
<b>Total Savings</b>	<b>-6,053</b>	<b>-16,448</b>	<b>-28,195</b>	<b>-40,245</b>
<b>Annual Revenue Funding Gap</b>	<b>14,088</b>	<b>12,822</b>	<b>10,681</b>	<b>9,410</b>
<b>Cumulative High Needs Deficit Brought Forward</b>	<b>41,187</b>			
<b>Cumulative High Needs Funding Gap</b>	<b>55,275</b>	<b>68,097</b>	<b>78,779</b>	<b>88,188</b>
Surplus (-ve) / Deficit Other DSG Blocks	-9,663	-9,660	-9,160	-6,560
<b>Dedicated Schools Grant Surplus (-ve) / Deficit</b>	<b>45,612</b>	<b>58,437</b>	<b>69,619</b>	<b>81,628</b>
<b>High Needs Spend as % of High Needs DSG</b>	<b>119%</b>	<b>127%</b>	<b>134%</b>	<b>143%</b>
<b>Surplus / Deficit as % of Total DSG</b>	<b>7%</b>	<b>8%</b>	<b>10%</b>	<b>11%</b>

TSIL savings as reflected in the 2024/25 MTFS are shown below:

	2024/25 £,000	2025/26 £,000	2026/26 £,000	2027/28 £,000
Reduction in the number of EHCP Needs Assessment Requests	-228	-660	-1,231	-1,778
Reduction in Assessment Conversion Rate	-352	-861	-1,430	-1,918
Reduced Mainstream EHCP Cost	-345	-948	-1,634	-2,315
Reduction in the number of Early Years Specialist Starts	-587	-1,206	-1,839	-2,478
Reduction in the number of Non-Early Years Specialist Starts	-1,333	-3,840	-6,721	-9,779
Reduction in Non-Early Years Specialist Cost	-943	-3,460	-7,101	-9,399
<b>Total - Potential Cost Reduction Savings</b>	<b>-3,788</b>	<b>-10,976</b>	<b>-19,956</b>	<b>-27,666</b>

Data has been central to the work of the TSIL programme, ensuring improvements are evidence based using a range of data to identify, test and implement improvements within local authority SEND services. The impact of improvement activity is regularly monitored through performance data. The local authority is working with the SEND Hub to establish data sharing requirements with parents, carers and guardians.