



SCHOOLS FORUM
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Director of People Services

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ITEM
03/23

Capacity to deliver the Dedicated Schools Grant Management Plan

SUMMARY

- 1.1 The significant and increasing High Needs deficit in Derby is forecast for 2022-23 at £6.9m.
- 1.2 The High Needs Transformation Programme work with Impower comes to an end in August 2023.
- 1.3 To allow an orderly departure for Impower and transition into the DCC SEND team there is a requirement that a Deputy Head of Service (DHOS) for SEND and inclusion is created. This would be a permanent role that will provide support to:
 - The EHCP Manager, SEND Local Area Project Manager and Local Offer and through these areas will focus on delivering transformation for Derby SEND Local Area both operationally and strategically.
 - The role will provide high level strategic management support to Head of Inclusion
 - The role will help to develop systems within the Dedicated Schools Grant (DSG) expenditure SEND Capital Programme to the best of outcomes with the whole local area SEND and Inclusion.
 - The role will bring capacity to deliver the DSG management plan required by the DfE.
- 1.4 It is proposed that this new Deputy Head of Service role would be effective from April 2023 with a potential exit from Impower support from June 2023. Derby City Council has paid £1.36 million to date for the support by Impower since April 2021. The creation for Deputy Head of Service post would be £83,988 per annum which includes on costs.
- 1.5 It is also proposed that additional project management and insight capacity is recruited to work alongside the new DHOS, thereby supporting the transition from Impower:
 - Change Manager – this role will coordinate workstream activity, ensuring effective planning, engagement, governance and benefit realisation, at a cost of £59,268 per annum
 - Analyst – this role will support the collation of data and insight to enable effective targeting of interventions and review of impact (£40,942 per annum)

1.6 The total cost for three roles is £184,198 per annum

RECOMMENDATIONS

- 2.1 To note the significant and increasing deficit in the High Needs block.
- 2.2 To note the impact of the Impower support.
- 2.3 To support the establishment of the three posts as outlined.
- 2.4 To establish a High Needs deficit sub-group of the School Forum to monitor the impact of the DSG Management plan

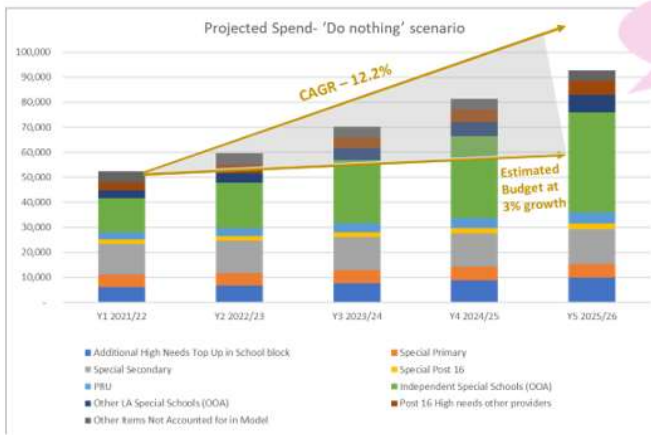
SUPPORTING INFORMATION

- Impower consultancy was commissioned to deliver savings and value for money on High Needs Budget to be achieved through the following workstreams.
- 3.1
 - 1) Redesign of panel processes
 - 2) Development of digital Derby Inclusion Tool eDIT
 - 3) Define a single inclusion plan
 - 4) Develop early intervention offer; Derby SENCo Advice Line (DSAL)
 - 5) Embed primed performance

Between August 2021 – August 2022 the interventions which were implemented and rolled out over the year are estimated as having a cost avoidance value of £1,637m. The goal for the next financial year is £12.4m-£16.6m of avoided cost, as scaling up of interventions occurs. This level of further cost avoidance is significant and requires the Council to continue the momentum with appropriate levels of external support from Impower whilst at the same time building skills, strengths and capacity within the Derby SEND system to build a resilient and sustainable system. The Council is also investing through the SEND Capital programme additional and targeted capacity within the City to reduce the number of out of County Placements for children and young people with SEND. This work needs to continue to impact on the DSG budget and requires significant capacity to deliver without support from Impower.

- 3.2 The support from Impower to deliver the work has consisted of three full time consultants and one fulltime senior consultant for strategic leadership at the Council. To continue and maintain the work of much needed transformation in local area SEND further senior capacity is vital to support and deliver. There is a need for this further capacity not only as a step down from high intensity support but for it to become business as usual.

- 3.3 Detailed Analysis of the Derby SEND system clearly articulates the financial risks of “do nothing” in the Derby SEND system. The “do nothing” approach sees spend rise in 2021/22 from £52.2m to £92.7m in 2025/26. This was primarily due to capacity within “in-area” schools and special schools being full, and out of area and independent special schools being the only option to support children. This is illustrated in the graph below.



Increased spend by c.£41m by end of Yr.5

Assumptions applied to 'do nothing' scenario:

- Yr. 1 demand is extrapolated to full year effect with using FY19/20 and FY20/21 New ECHPs request data
- **Annual 2% increase in new demand** for ECHPs
- **Annual 3% inflation to provision's unit cost**
- **Annual 4.6% drop-out rate** across all provisions type

For more information contact:
Background papers:
List of appendices:

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