

TO: SCHOOLS FORUM
DATE: 9 MARCH 2017

**PROPOSALS FOR THE 2017-18
HIGH NEEDS BLOCK ELEMENTS OF THE SCHOOLS BUDGET
Director of Children, Young People and Learning**

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek comments from the Schools Forum on proposals from the Council for the 2017-18 High Needs Block element of the Schools Budget. There are also a small number of decisions for the Forum to consider in line with the statutory funding framework.
- 1.2 Comments are being sought so that these can to be presented to the Executive Member on 14 March when a formal decision on these matters is planned to be taken.

2 RECOMMENDATIONS

That the Forum AGREES:

- 2.1 **That the Executive Member sets the total initial Dedicated Schools Grant funded budget at £14.669m, it incorporates the changes set out in the supporting information and Annex 2, and relevant budgets are therefore updated to those summarised in Annex 3.**
- 2.2 **In its role of statutory decision maker, that there are appropriate arrangements in place for:**
1. **The education of pupils with SEN (paragraph 5.32), and**
 2. **The use of pupil referral units and the education of children otherwise than at school (paragraph 5.32).**
- 2.3 **The revised 2016-17 and provisional 2017-18 budgets for the Autistic Spectrum Disorder Special Educational Needs Unit at the Rise@GHC (paragraph 5.28 and Annex 1).**

3 REASONS FOR RECOMMENDATIONS

- 3.1 To ensure that the 2017-18 High Needs Budget is set in accordance with the funding framework, the views of the Schools Forum and the anticipated level of resources.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 A range of options have been presented for consideration as part of the budget setting process.

5 SUPPORTING INFORMATION

Background

- 5.1 This report presents proposals on the High Needs Block (HNB) element of the Dedicated Schools Grant (DSG) that supports pupils with special educational needs and disabilities (SEND) and is intended to fund a continuum of provision for relevant pupils and students from 0-24.
- 5.2 The Department for Education (DfE) has determined that where the cost of provision is above £10,000 it will be classified as high needs. In such circumstances, a “place-plus” approach to funding will be used which can be applied consistently across all providers that support high needs pupils and students as follows:
- a. **Element 1, or “core education funding”**: equivalent to the age-weighted pupil unit (AWPU) in mainstream schools, which the DfE has stated the national average is around £4,000.
 - b. **Element 2, or “additional support funding”**: a budget for providers to deliver additional support for high needs pupils or students with additional needs of up to £6,000.
Specialist and Alternative Providers (AP), such as special schools and Pupil Referral Units (PRUs) only cater for high needs pupils and therefore receive a minimum £10,000 (Element 1 funding plus Element 2) per agreed place.
 - c. **Element 3, or “top-up funding”**: funding above elements 1 and 2 to meet the total cost of the education provision required by an individual high needs pupil or student, as based on the pupil’s or student’s assessed needs. This element is paid to all provider types, for pupils with assessed needs above the £10,000 threshold.
- 5.3 Additionally, HNB DSG is also intended to be used where high needs provisions are not arranged in the form of places e.g. specialist support for pupils with sensory impairments, or tuition for pupils not able to attend schools etc.
- 5.4 The statutory regulatory framework also requires the Council to consult with the Schools Forum each year relating to the arrangements proposed to be put in place to meet various Schools Budget functions and where relevant, this is also included within the report.

DfE Reforms

- 5.5 The Forum has previously received an update on DfE funding proposals in respect of NHB services which reported that a new national funding formula is expected to be introduced from April 2018, comprising the following elements and weightings for funds distribution, together with the indicative proportions for BFC:

Table 1: Proposed weightings for the HNB National funding Formula

Formula Factor	Amount £m	National Weighting %	BFC Weighting %
1. Pupils and students in SEN institutions at £4,000 each	£470	8.48%	6.92%
2. Historic spend	£2,500	45.08%	55.14%
3. Population	£1,250	22.54%	24.13%
4. Deprivation: FSM	£250	4.51%	2.52%
5. Deprivation: IDACI	£250	4.51%	0.77%
6. Low attainment: KS2	£188	3.39%	2.63%
7. Low attainment: KS4	£188	3.39%	2.43%
8. Children in bad health	£188	3.39%	2.22%
9. Disability Living Allowance	£188	3.39%	3.08%
10. Historic Hospital Education spend	£73	1.32%	0.15%
Total	£5,545	100.00%	100.00%

5.6 In addition to the main factors in Table 1, there will be further adjustments to each LAs HNB funding:

1. an area cost adjustment will be applied where relevant (7% uplift for BFC) to all factors other than historic spend as this will already reflect local cost variations.
2. an import / export adjustment so those LAs sending out more pupils to other LAs lose £6,000 per pupil funding to reflect the requirement of the resident LA to finance place funding in the SEN institutions in their area to be added to the £4,000 per pupil / student funding included in the main formula to achieve the £10,000 place funding cost.
3. and a funding floor adjustment to add the cash amount difference where the normal operation of the HNB formula results in a lower allocation than current spending. This ensures no LA receive less funds than at present. Having the floor in place will limit increases in funding to 3% in 2018-19 and 2019-20 to those LAs gaining from the new arrangements.

5.7 The initial illustrative funding information provided by the DfE with the Stage 2 consultation indicates that should the proposed National Formula be introduced, this will result in a £2.327m funding reduction for BFC. However, the proposed funding floor adjustment set out above in paragraph 5.6 (3) would ensure no reduction in cash funding and is therefore the essential element of the proposals from a BFC perspective.

5.8 For 2017-18, the DfE are making a small number of changes to the funding arrangements and these are set out below in the following section.

Provisional estimate of High Needs Block DSG income

Overview of DSG allocation process

- 5.9 The allocation of High Needs Block DSG income is the most complex part of the DSG. A separate calculation is made for each LA, initially set at the level of budget individual LAs planned to spend on high needs pupils in 2012-13, the year prior to the most recent funding reforms. The Education Funding Agency (EFA) then deduct £10,000 per place funding from each individual LAs total amount to purchase directly from providers all places in academies and non-maintained special schools, and those for post-16 students only in maintained schools and special schools. From the remaining DSG, each LA then funds all the places required in its own maintained schools and special schools for use by any LA, places for their own students in Independent Special Schools as these establishments are not directly funded for places by the EFA, and any Element 3 "top up" payments above the £10,000 funding threshold due for BF resident students to all providers.
- 5.10 In terms of the number of places that the EFA will directly fund and therefore deduct from each LAs HNB DSG, these have been rolled forward from the 2016-17 numbers with LAs able to request changes at the relevant institutions in exceptional circumstances following bids. The relevant amount of funding deduction is then set for the academic year irrespective of whether the places are actually taken up.
- 5.11 Where the EFA agrees to purchase an increased number of SEN places for an LA, then their retained HNB DSG is reduced accordingly. Similarly, if less places are funded directly by the EFA, there is an increase in the retained HNB DSG. There is no additional money from this process, rather an adjustment to the amount of DSG retained by LAs to prioritise to other HNB pressures, in consultation with their Schools Forum. There is a change to some aspects of post-16 place funding that is further explained below in paragraphs 5.20 to 5.22.
- 5.12 This approach to place funding, whilst providing a degree at funding stability for providers can result in poor value for money for LAs if the actual number of places required in each relevant institution is lower than the number being funded by the EFA. This was identified as a concern in the independent review of HNB report presented to the Forum at the last meeting as some institutions are funded for more places than the number of students on roll. BFC has requested a reduction to funded places in one institution for which the outcomes from the EFA place review are still awaited.
- 5.13 As well as Element 3 "top ups", the DSG can also be used to purchase additional places at providers, above the number purchased by the EFA. To reduce the potential of the EFA purchasing more pre-16 external places than required through the deduction to the BFC HNB DSG, the strategy of the council is to minimise the deduction to DSG for EFA funded places and use the resultant higher level of DSG to purchase extra places, but only when they are actually needed. Therefore, where the indicated number of places deduction is at or below the number required, it is accepted, and should actual places exceed the funded level, this is managed through the purchase of additional places by way of direct negotiation with providers. Where EFA deducts more places than required, a request for a reduction is made. This approach maximises funding flexibility for the LA.
- 5.14 The place funding for specialist post-16 institutions and non-maintained special schools is not currently included in the DSG HNB as the EFA allocate this funding directly to providers based on the number of children and young people attending, without reference to LAs.

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- 5.15 The management of pre-16 place funding for PRUs and other AP providers, maintained schools with SEN Resource Units and maintained special schools are for the resident LA to determine. There is no decision making or other involvement of the EFA in the allocation of place funding to these institutions. LAs are free to change the numbers as required.

Changes for 2017-18

- 5.16 As part of preparations for the implementation of the funding reforms at April 2018, the DfE has been liaising with LAs to re-base budgets to ensure that each DSG funding block – Schools Block (SB), Early Years Block (EYB) and HNB - is set to the amount being spent and not the allocation from the DfE. This is required to ensure sufficient funding is available in each Block as in future there will be a ring-fence in place that will prevent LAs from moving money to reflect changing circumstances and priorities.
- 5.17 Members of the Schools Forum will be aware that from 2015-16, there has been a need to transfer £2.093m from the Schools Block to the HNB to meet unavoidable cost commitments. The DfE has now made this transfer permanent through the baselining exercise.
- 5.18 In considering the amount of baseline funding required in the EYB, there are a number of budgets that support children with HN that could be funded from either the EYB or the HNB. Evaluation of the potential impact of these aspects of DfE funding reforms, which was in advance of the publication of any financial information, indicated that maximising spend in the HNB was the best approach to take. This would lower the EYB baseline by £0.345m with a corresponding increase in the HNB, but with additional funding to be allocated to EY and taking account of the likelihood that HNB budgets would be protected to at least current cash levels, this was considered the best tactic to maximise overall future income.
- 5.19 There are 3 budgets transferring from EYB to HNB, although there is no change to operational arrangements:
1. Children's Development Centre (formerly Margaret Wells Furby). £0.166m.
 2. Special Educational Needs Co-ordinators. £0.148m
 3. General Support Services. £0.031m.
- 5.20 There is one main change to funding responsibilities for 2017-18. The DfE are transferring £125m of their Departmental post-16 budget that is currently outside the DSG into the HNB baseline. The transfer relates to place funding for high needs places in further education (FE) and post-16 charitable and commercial providers (CCP). These institutions currently receive £6,000 per place from the EFA as part of their post-16 allocations. With 43 places on the EFA transfer schedule, the HNB DSG will increase by £0.258m.
- 5.21 In future, deductions will be made from the increased LA HNB DSG for the EFA to continue funding institutions directly. The number of places to be funded will be determined from information to be collected from LAs. This change results in LAs having to manage any growth in places from within the HNB DSG rather than being managed by the EFA.
- 5.22 At this stage it is expected that the LA will take the same approach on funding these places as in other institutions, so will accept the funding transfer and an equivalent

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amount of EFA deduction of £0.258m for EFA directly funded places, making additional purchases only if required. Therefore, the initial budget proposals assume there will be no direct financial impact from this change.

- 5.23 As in previous years, the EFA has identified additional resources to be allocated into the HNB DSG. For 2017-18 there is £130m to allocate, an increase of £38m on the £92m available in 2016-17. This has been allocated to LAs based on population estimates of 2-18 year olds and results in BFC receiving £0.329m.
- 5.24 On the basis of this information, the EFA has calculated an initial 2017-18 High Needs Block allocation for BF of £14.669m, an increase of £0.674m on the current budget, although £0.345m will be needed to fund the costs transferred from the EYB through the baselining exercise, meaning a real increase in spending power of £0.329m. A summary of the DSG changes is set out in Table 2 below. The 2016-17 allocation is also shown for context:

Table 2: High Needs Block DSG calculation

Para Ref for changes	Item	2016-17 Actual £m	2017-18 Provisional £m
	Base funding	12.648	12.648
	Baselining exercise agreed by DfE:		
5.17	Transfer from Schools Block	2.093	2.093
5.18	Transfer from Early Years Block	n/a	0.345
	Initial HNB DSG	14.741	15.086
	Deduction for EFA direct funded places – existing institutions	-0.746	-0.746
5.22	Deduction for EFA direct funded places – new institutions i.e. CCP and FE places	n/a	-0.258
	HNB DSG after places deduction	13.995	14.082
	2016-17 agreed base budget	13.995	
5.20	Funding for places in new institutions i.e. CCP and FE places		0.258
	Share of £130m growth – based on 2-18 year olds population projections		0.329
	Initial NHB DSG		14.669
	Increase to current budget		0.674

- 5.25 As the final High Needs Block DSG will not be confirmed until the end of March, there is the possibility of adjustment to the places deduction. Should the final funding

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allocation be significantly different from the £14.669m current on-going High Needs budget amount, revised proposals can be considered in-year.

- 5.26 To the £14.669m estimated HNB DSG can be added the £0.500m post-16 places grant paid by the EFA for Kennel Lane Special School, making a total gross budget after EFA places deduction of £15.169m.

Update on budget requirement for Autistic Spectrum Disorder Unit: Rise@GHC

- 5.27 The Forum has previously supported funding for the development of a 56 place Autistic Spectrum Disorder (ASD) pupil facility by converting the vacant building on Eastern Road through use of DfE capital grants with phased opening taking place from September 2015. The facility – Rise@GHC – is being managed by Garth Hill College with the funding model anticipating annual savings when fully open of around £0.468m on placement fees from 35 BF resident students, with additional placements being made, and paid for, by other LAs.
- 5.28 The LA has been in close contact with Garth Hill College in respect of the changing financial model with the latest projections shown at Annex 1. Taking account of these discussions, and a revised pattern of placements, the original budget plan needs to be amended which now indicates when fully open a saving of £0.397m can be achieved (column J, line 34 of Annex 1). The Forum is requested to agree the revised long term funding model at Annex 1, and in particular to note the initial budget allocation for 2017-18 (column E of Annex 1), including the draw down of £0.093m (column E, line 30 of Annex 1) from the SEN Resource Units Reserve and the revised plan for 2016-17 (column D of Annex 1).

Update on current year budget performance

- 5.29 Budget monitoring information as at the end of December indicates good progress continues to be made in managing down expenditure on high needs budgets, with a forecast saving of £0.633m. Other centrally managed budgets in the Schools Budget are anticipated to over spend by £0.009m, making an aggregate forecast under spending of £0.624m. Taking account of the brought forward surplus on the Schools Budget Unallocated Reserve, the in-year transfers to other specific reserves previously agreed, and the in-year surplus currently being forecast, this indicates a net surplus of £1.204m which is £0.544m above the minimum prudential level required by the Borough Treasurer to manage unforeseen circumstances.

Proposed use of funding

- 5.30 The Forum are aware that the independent review of HNB budgets has now reported outcomes and recommendations for change which are progressing through the council's decision making process. This is expected to approve the recommendations are formally discussed with stakeholders prior to detailed decisions on implementation. This process is projected to continue throughout the year in tandem with Children's Services transformation and therefore, at this stage, is not sufficiently advanced to include any proposals for change in the initial 2017-18 budget. However, should potential changes be possible this year, they will be presented to the Forum for a view before relevant budgets are updated.
- 5.31 Therefore, in calculating and planning the required level of budget for next year, the SEN Team, supported by Finance, has reviewed all High Needs budgets. As expected from services that are volatile and high cost in nature, a number of changes are proposed to ensure budgets are set at the level of future forecast expenditure needs,

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thereby aiding effective monitoring. Annex 2 sets out the proposed changes that the Forum is recommended to agree. It only shows services where budgets are proposed to be changed, and for context and background, the budgets that are forecasting variances in the current year. The key proposed changes and assumptions are:

- 1 Kennel Lane Special School: Based on current pupil profile, a £0.059m saving will be achieved from lower cost Element 3 top up payments. £0.040m is proposed to be added to support an Early Opportunities pilot scheme to assess additional needs of under 5s.
- 2 Maintained schools and academies: the recent trend on these budgets is for increased cost pressures with a £0.164m forecast over spending in 2016-17. This is expected to increase to a pressure of around £0.235m in 2017-18. There is a further growth requirement for diseconomy funding for Rise@GHC of £0.192m which is set out in more detail in Annex 1. There is also a proposal to set aside £0.067m in the SEN Resource Unit Reserve to contribute to the diseconomies that will be experienced when the new SEN Unit opens at Binfield Learning Village. This is the approach that was adopted for the initial funding of the Rise@GHC.
- 3 Non-Maintained Special Schools and Colleges: this is the most significant budget being managed in the HNB, amounting to nearly £6m in 2016-17. The budget requirement calculation has been undertaken on the same overall basis as in previous years, with the most significant changes arising from:
 - a. Rolling forward current placement costs to August 2017 (for the final term of academic year 2017-18) and assuming the same pupil and student numbers through to the end of March 2018, using the average placement cost over the last 2 years. This shows a saving of £0.872m on the current base budget and compares to a £0.7m under spend currently being forecast for 2016-17.
 - b. Pre-16 pupil numbers are now considered to have been reduced to the ongoing level to be expected over the medium term – circa 40 fte compared to circa 60 fte up to 2014-15. Therefore, no specific adjustment for this age group have been made.
 - c. For 16 and 17 year olds, numbers have remained stable at around 40 fte for the last 3 years, so again, no specific changes have been made to this age group.
 - d. For 18 and 19 year olds, this is where the largest increase has been experienced as more young people seek to extend their education with an average increase of 13 fte in each of the last 2 years. A similar increase has been included for 2017-18 at £0.320m.
 - e. A general allowance for 5 fte extra placements to reflect changes that happen at short notice at a forecast cost of £0.153m.
 - f. The increase in students is expected to require the purchase of additional Element 2 place funding of £0.004m at post 16 providers as the council is not proposing to change the number of places to be directly funded at relevant institutions through the EFA deductions process as this can result in the purchase of places that are not needed (see paragraphs 5.10 to 5.12 above).

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A provision for 15 extra payments from September 2017 has been included at £0.056m. This relates to items d. and e. above.

- g. A 1.5% provision for provider inflationary cost increases at £0.084m.

- 4 Education out of school: A number of cost pressures are being experienced, most notably a reduction in permanent pupil exclusions has meant the historic income receipts from schools of around £0.05m is not being achieved, creating a budget shortfall. There have also been a small number of placements required outside of College Hall PRU, most notably for primary pupils. Overall, the budget proposals include growth of 0.113m.
- 5 Other SEN Support Services: the proposed £0.029m budget increase mainly reflects the extra committed costs for pupils with additional education support needs for medical reasons.

- 5.32 The Forum is therefore recommended to agree this approach to setting the High Needs Block related budgets to the Executive Member and also confirm that as a consequence, appropriate arrangements are in place for the education of pupils with SEN and use of pupil referral units and the education of children otherwise than at school. Annex 3 identifies the resultant breakdown of the High Needs Block budget if the proposals in this report are agreed.

Next steps

- 5.33 The views of, and decisions taken by the Schools Forum at this meeting are expected to be adopted by the Executive Member in making final decisions for the 2017-18 Schools Budget on 14 March 2017.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The relevant legal issues are addressed within the main body of the report.

Borough Treasurer

- 6.2 The financial implications arising from this report are set out in the supporting information with proposals affordable within the anticipated level of funds. However, with the amount of High Needs Block DSG yet to be confirmed, there remains the potential for receiving less funds than anticipated. If a funding shortfall does materialise, it will need to be dealt with in-year through the introduction of a programme of in-year savings or short term use of accumulated balances.

Equalities Impact Assessment

- 6.3 The budget proposals ensure funding is targeted towards vulnerable groups and an EIA is not required.

Strategic Risk Management Issues

- 6.4 The funding reforms, tight financial settlement and the demographic growth and legislative pressures present a number of strategic risks, most significantly:
1. Insufficient funding to cover increases in the required number of high needs places.
 2. Price increases by providers.
 3. The ability of the market to absorb an increasing number of high needs pupils.
- 6.5 Based on current information, the budget proposals are considered appropriate, however, if cost increases are experienced, savings will be sought in year across the whole Schools Budget.

7 CONSULTATION

Principal Groups Consulted

- 7.1 None.

Background Papers

None.

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Funding Model for Rise@GHC as at March 2017

Ref	Costed at 2017-18 outturn prices	January to	Sept 2015 to	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2021-22
		August 2015	March 2016	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2021-22
		A	B	C	D	E	F	G	H	I	J
		Final	Final	Original	Final	Estimate	Estimate	Estimate	Estimate	Estimate	Original
Places and staffing - academic year data:											
1	Projected Maximum No. of Learners	0	8	16	16	24	32	40	48	56	56
2	BFC resident	0	6	11	11	12	17	22	27	32	36
3	Other LA resident	0	2	4	5	9	11	13	14	15	11
4	Vacancy	0	0	1	0	3	4	5	7	9	9
5	Number occupied places in costing model	0	8	15	16	21	28	35	41	47	47
6	Occupancy rate	0%	100%	94%	100%	88%	88%	88%	85%	84%	84%
7	Total No. of Teaching Staff (fte) (headcount)	1.00	3.00	4.00	4.80	6.80	7.80	9.80	9.80	9.80	10.00
8	Total No. of Learning Support Staff (fte) (headcount)	0.00	3.00	5.00	3.82	5.55	7.27	8.13	8.13	8.13	9.00
9	Total No. of Ancillary Support Staff (headcount)	0.00	3.00	4.00	2.73	3.19	3.19	3.19	3.19	3.19	5.00
10	Total all staff (fte) (headcount)	1.00	9.00	13.00	11.35	15.54	18.26	21.13	21.13	21.13	24.00
Financials - financial year data:											
11	Staffing	£36,400	£190,700	£391,800	£389,400	£557,400	£678,000	£788,600	£839,200	£838,800	£841,460
12	Premises	£0	£83,800	£144,700	£147,000	£145,500	£142,500	£142,500	£142,500	£142,500	£138,500
13	Supplies & Services	£10,900	£36,200	£74,300	£75,400	£85,600	£100,600	£123,040	£137,500	£147,660	£147,660
14	Transport	£250	£7,100	£12,250	£12,250	£12,250	£12,250	£12,250	£12,250	£12,250	£12,250
15	Contingency at underlying 2.5%	£1,500	£22,500	£0	£0	£41,600	£23,400	£26,600	£28,300	£28,500	£28,500
16	Total Income	£0	£700	£1,800	£1,900	£2,800	£3,850	£4,800	£5,750	£6,650	£6,650
17	EXPENDITURE AT SCHOOL	£49,050	£339,600	£621,250	£622,150	£839,550	£952,900	£1,088,190	£1,154,000	£1,163,060	£1,161,720
18	Income from other LA pupils @ £26,750	£0	-£35,000	-£87,500	-£97,200	-£196,100	-£271,900	-£325,500	-£363,400	-£390,100	-£283,000
19	NET EXPENDITURE AT SCHOOL	£49,050	£304,600	£533,750	£524,950	£643,450	£681,000	£762,690	£790,600	£772,960	£878,720
20	CENTRALLY FUNDED SPECIALIST THERAPIES (BF STUDENTS ONLY)		£20,100	£22,100	£22,100	£23,900	£30,900	£41,100	£51,500	£61,700	£70,000
21	Fee premium from Other LAs of £3,000 per place for 6 years		£0	-£7,000	-£10,800	-£22,100	-£30,600	-£36,600	-£40,800	-£17,500	-£12,500
22	NET TOTAL COST TO BFC	£49,050	£324,700	£548,850	£536,250	£645,250	£681,300	£767,190	£801,300	£817,160	£936,220

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Ref	Costed at 2017-18 outturn prices	January to	Sept 2015 to	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2021-22
		August 2015	March 2016	C	D	E	F	G	H	I	J
		A	B	Original	Final	Estimate	Estimate	Estimate	Estimate	Estimate	Original
		Final	Final								
Financials - financial year data:											
Income and charging											
23	Cost of provision (financial year) (lines 17 and 20)	£408,750		£643,350	£644,250	£863,450	£983,800	£1,129,290	£1,205,500	£1,224,760	£1,231,720
24	Net cost per place for LAs to fund (place plus therapies)	£88,000		£54,000	£51,000	£46,000	£40,000	£36,000	£32,000	£28,000	£28,000
25	Estimated impact of 4 to 5 BFC non-LEA leavers @ £41,400	-£144,900		-£369,200	-£369,200	-£552,000	-£717,600	-£883,200	-£1,048,800	-£1,214,400	-£1,404,200
26	Estimated income from OLAs: (lines 18 and 21)	-£35,000		-£94,500	-£108,000	-£218,200	-£302,500	-£362,100	-£404,200	-£407,600	-£295,500
27	Estimated saving / income from OLA (lines 25 and 26)	-£179,900		-£463,700	-£477,200	-£770,200	-£1,020,100	-£1,245,300	-£1,453,000	-£1,622,000	-£1,699,700
28	Net additional cost(+) / saving(-) (lines 23 and 27)	£228,850		£179,650	£167,050	£93,250	-£36,300	-£116,010	-£247,500	-£397,240	-£467,980
29	Cummulative change	£228,850		£405,000	£387,700	£471,250	£422,150	£290,940	£26,440	-£389,000	-£323,955
30	Estimated draw down from SEN Unit Reserve (line 28)	£228,850		£179,650	£167,050	£93,250	£0	£0	£0	£489,150	£555,510
31	Total available in SEN Resource Unit Reserve	-£489,784	-£55,000	-£55,000	-£55,000					-£599,784	-£599,784
32	Estimated remaining balance in SEN Resource Unit Reserve									-£110,634	-£44,274
33	Estimated on-going saving - annual change					-£36,000	-£80,000	-£132,000	-£149,000		-£198,000
34	Estimated on-going saving - cumulative					-£36,000	-£116,000	-£248,000	-£397,000		-£468,000

Detailed changes proposed to the 2016-17 High Needs Budgets

Ref	Budget Area	2016-17 Current Budget £	2016-17 forecast variance (December) £	Proposed Budget Change			Provisional 2017-18 Budget £	Summary comment on proposed budget change
				Baseline Adjustment: Early Years £	Specialist Placements and top ups (Element 3) £	Other budgets £		

Funds Delegated to Special School

1	Kennel Lane Special School - original budget (BFC responsibility only)	3,682,820	0	0	-59,000	0	3,623,820	Current estimate is for initial budget requirement of £3.624m. Includes 185 purchased places and funding for anticipated BFC resident pupil top up payments.
2	Kennel Lane Special School - in-year budget changes (BFC responsibility only)	88,000	-76,000	0	0	0	88,000	
3	Kennel Lane Special School - Early Opportunities Nursery Pilot Scheme	0	7,000	0	40,000	0	40,000	There are 4 pupils in the KLS nursery as part of an Early Opportunities assessment pilot scheme, with funding of £0.005m per annum. The intention is to roll out the programme with estimated numbers of: Summer Term 2017 at 4 for £0.007m, Autumn Term and Spring term at 10 for £0.033m.
Total Funds Delegated to Special School			-69,000	0	-19,000	0		

Unrestricted

Ref	Budget Area	2016-17 Current Budget £	2016-17 forecast variance (December) £	Proposed Budget Change			Provisional 2017-18 Budget £	Summary comment on proposed budget change
				Baseline Adjustment: Early Years £	Specialist Placements and top ups (Element 3) £	Other budgets £		

Maintained Schools & Academies

4	BF SEN Resource Unit Reserve	55,000	0	0	0	67,190	122,190	Contribution to earmarked Reserve to finance diseconomy costs at new SEN Resource Units. Growth amount represents the balance of funds after setting other budgets. It is intended to support the SEN Resource provision at Binfield Learning Village in a similar way to Rise@GHC.
5	BF Secondary School SEN Resource Unit	357,900	0	0	192,300	0	550,200	Reflects anticipated £0.643m cost of the Unit, as set out in Annex 1 (column E, line 19, less current budget of £0.357m), excluding £0.093m contribution from SEN Resource Unit Reserve (column E, line 30 of Annex 1) which is in addition to this DSG funded budget.
6	BF Secondary School SEN Resource Unit - Premium fee rate	-10,800	0	0	-11,300	0	-22,100	Additional income from other LAs as a contribution to diseconomy costs at the Rise@GHC. See column E, line 21 of Annex 1.
7	BF Primary Resource Units	344,050	-2,000	0	0	0	344,050	Includes cost of places and top ups in BF SEN Resource Units.
8	BF mainstream schools - Element 3 top up payments	688,000	64,000	0	100,000	0	788,000	Reflects current spend, plus allowance for additional payments, based on recent trend.
9	BF mainstream schools - Element 3 short term interventions	5,000	10,000	0	20,000	0	25,000	To prevent exclusions. Generally high cost. Current commitment to continue into 2017-18 plus allowance for 1 more mid-range cost placement.
10	Non BF schools - Element 3 top ups	867,000	77,000	0	100,000	0	967,000	Reflects current spend, plus allowance for additional payments, based on recent trend.
11	BF Early Years - Element 3 top up payments	0	15,000	0	15,000	0	15,000	Reflects current spend, which is anticipated to remain fairly stable.
12	BF mainstream schools – top up to schools with disproportionate number of HN pupils	100,000	-20,000	0	0	0	100,000	
13	BF specialist providers - financial difficulty support	14,470	-14,000	0	0	0	14,470	

Total Maintained Schools & Academies	130,000	0	416,000	67,190
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Unrestricted

Ref	Budget Area	2016-17 Current Budget £	2016-17 forecast variance (December) £	Proposed Budget Change			Provisional 2017-18 Budget £	Summary comment on proposed budget change
				Baseline Adjustment: Early Years £	Specialist Placements and top ups (Element 3) £	Other budgets £		

NMSS & Colleges

14	Non-LEA special Schools pre 16	5,943,170	-700,000	0	-277,000	0	5,666,170	Forecast cost is £5.666m. Rolls forward current commitments, plus allowance for 15 new 19 and 20 year old placements reflecting recent experience, plus 5 for all other age ranges to reflect the volatile nature of the forecasts. Allowance for inflation at 1.5%.
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Total NMSS & Colleges		-700,000	0	-277,000	0
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Education out of School

15	Alternative Provision - in-year income from permanent pupil exclusions	-60,000	40,000	0	0	50,000	-10,000	Reduction in income from permanent exclusions. Expected to remain at a lower level than previously.
16	Home Tuition	235,460	-22,000	0	0	-10,000	225,460	Reflects reduced current spend.
17	Outreach	94,130	-1,000	0	0	0	94,130	
18	EOTAS - Share of Head of Targeted Services	21,440	6,000	0	0	2,000	23,440	Reflects on-going current spend.
19	Alternative Provision for Primary Aged pupils without a statement	0	34,000	0	0	50,000	50,000	Children without EHCP but needing out of maintained school education. Reflects increased requirement with 7 placements anticipated next year.
20	Alternative Provision for Secondary Aged pupils without a statement	0	20,000	0	0	20,000	20,000	Children without EHCP but needing out of maintained school education. Reflects current spend which is expected to remain fairly stable.
21	Excluded pupil provision	16,860	1,000	0	0	1,000	17,860	Reflects on-going current spend.

Total Education out of School		78,000	0	0	113,000
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Unrestricted

Ref	Budget Area	2016-17 Current Budget £	2016-17 forecast variance (December) £	Proposed Budget Change			Provisional 2017-18 Budget £	Summary comment on proposed budget change
				Baseline Adjustment: Early Years £	Specialist Placements and top ups (Element 3) £	Other budgets £		

Other SEN Services

22	SEN Tribunals	16,650	5,000	0	0	0	16,650	
23	Equipment for SEND	22,070	-13,000	0	0	0	22,070	
24	Medical support to pupils	36,660	20,000	0	0	28,000	64,660	Mainly reflects full year costs of homecare provision for one child. Unable to leave the house.
25	Sensory Consortium Service	250,180	-10,000	0	0	0	250,180	
26	Occupational Therapy	37,300	-35,000	0	0	0	37,300	
27	SEN - share of Head Targeted Services	32,230	1,200	0	0	1,200	33,430	Reflects on-going current spend.
28	Integrated Therapies at the RISE	22,100	-3,000	0	0	1,800	23,900	To reflect additional pupil. See column E, line 20 of Annex 1.
29	High Needs Block Funding Review	34,000	-34,000	0	0	-4,000	30,000	One-off activity in 2016-17. Remaining budget required to fund the SEND Strategic Group and the development of enhanced data collection and management. Budget to be retitled.
30	Traveller Education	75,140	-9,000	0	0	0	75,140	
31	Early Years and Childcare - Teacher Counselling	108,190	2,000	0	0	2,000	110,190	Reflects on-going current spend.
32	Early Years and Childcare - SENCO	0	0	147,390			147,390	
33	Child Development Centre (was MWF)	0	0	165,960			165,960	
34	Early Years and Childcare - Support and Development of the EYFF	0	0	31,340	0	0	31,340	
35	Support for Learning	149,280	4,000	0	0	0	149,280	

Total Other SEN Services	-71,800	344,690	0	29,000
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Grand Total – Relevant budgets only	-632,800	344,690	120,000	209,190
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TOTAL GROWTH		673,880		
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Summary 2017-18 High Needs Block Budgets

CHILDREN, YOUNG PEOPLE AND LEARNING DEPARTMENT									
	2016-17				Changes proposed for 2017-18				
	Original Cash Budget	Virements & Budget C/Fwds	Current Approved Budget	Variance Over/(Under) Spend	Baseline changes	Placements and top up payments	Other budgets	Initial Budget	
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<u>Schools Budget - 100% grant funded</u>									
High Needs Block									
Delegated Special Schools Budgets	3,476	295	3,771	-69	0	-19	0	3,752	
Post 16 SEN and other grants	-412	-88	-500	0	0	0	0	-500	
Maintained schools and academies	2,179	242	2,421	130	0	416	67	2,904	
Non Maintained Special Schools and Colleges	6,238	-294	5,944	-700	0	-277	0	5,667	
Education out of school	1,104	30	1,134	78	0	0	113	1,247	
Other SEN provisions and support services	1,227	-2	1,225	-72	345	0	29	1,599	
	13,812	183	13,995	-633	345	120	209	14,669	