

**TO: EXECUTIVE MEMBER FOR CHILDREN, YOUNG PEOPLE & LEARNING**  
**DATE: 14 MARCH 2017**

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**LOCAL AUTHORITY PROPOSALS FOR THE 2017-18 EARLY YEARS  
AND 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 agreement from the Executive Member to set the 2017-18 Early Years and High Needs Block elements of the Schools Budget on the basis of recommendations made by the Schools Forum.
- 1.2 The Executive Member has observer status on the Schools Forum, receiving all reports and entitled to attend meetings, and is therefore actively involved in the operation and deliberations of the Schools Forum.

**2 RECOMMENDATION**

- 2.1 That the Executive Member AGREES the recommendations proposed by the Schools Forum as set out in paragraphs 2.1 to 2.6 of the attached Appendix A and paragraphs 2.1 and 2.3 of the attached Appendix B.**

**3 REASONS FOR RECOMMENDATION**

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

**4 ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 These have been considered during the budget consultation stage and previous reports to the Schools Forum.

**5 SUPPORTING INFORMATION**

- 5.1 Whilst spending on the Schools Budget is funded by the ring fenced Dedicated Schools Grant (DSG), and therefore outside of the Council's funding responsibilities, Local Authorities (LA) retain a statutory duty to set the overall level of the Schools Budget before the start of each financial year. In deciding the relevant amount, LAs must plan to spend at least to the level of estimated DSG and can also take account of any accumulated under or overspending on the Schools Budget from previous years.
- 5.2 At its meeting of 13 December, the Executive agreed that the 2017-18 Schools Budget should be set at the estimated level of DSG income plus any accumulated balances, with the Executive Member for Children, Young People and Learning authorised to make amendments and agree budgets for schools and services centrally managed by the Council.

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- 5.3 Appendix A presents the proposals expected to be agreed by the Schools Forum at its meeting of 9 March in respect of the Early Years elements of the DSG and Appendix B setting out proposals for the High Needs Block element of the DSG. These Appendices also set out the details behind the budget build process which the Executive Member is now recommended to endorse. Budget decisions taken by the Executive Member have always been in accordance with the wishes of the Schools Forum, and the recommendations on this paper maintain that position. Decisions around the Schools Block element of the Schools Budget were taken on 17 January.
- 5.4 Should the Forum make any changes to the recommendations set out in the Appendices, a verbal update will be provided to the Executive Member to agree final decisions.

## 6 **ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS**

### Borough Solicitor

- 6.1 The relevant legal provisions are contained within the main body of the attached Appendix A and Appendix B.

### Borough Treasurer

- 6.2 The financial implications arising from this report are set out within the supporting information of Appendix A and Appendix B and present a budget that can be funded from the overall level of anticipated resources.

### Equalities Impact Assessment

- 6.3 There are no specific impacts arising from this report.

### Strategic Risk Management Issues

- 6.4 These are set out in Appendix A and Appendix B.

## 7 **CONSULTATION**

### Principal Groups Consulted

- 7.1 Schools Forum.

### Method of Consultation

- 7.2 Written consultation documents.

### Representations Received

- 7.3 Set out in reports to the Schools Forum.

### Background Papers

None.

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Contact for further information

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4061

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Approved by Cllr Dr Gareth Barnard  
Executive Member, Children, Young People  
& Learning

Approved by Nikki Edwards  
Director, Children, Young People  
& Learning

Signature.....

Signature.....

Date: 14 March 2017

Date: 14 March 2017

TO: SCHOOLS FORUM  
DATE: 9 MARCH 2017

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**BFC PROPOSALS FOR EARLY YEARS  
FUNDING ARRANGEMENTS FROM APRIL 2017  
Director of Children, Young People and Learning**

**1 PURPOSE OF DECISION**

- 1.1 The purpose of this report is to seek agreement from the Schools Forum on proposals for 2017-18 Early Years budgets, including the structure and values to be attributed to the Bracknell Forest Council Early Years Funding Formula (EYFF). There is also a decision for the Forum to consider in line with the statutory funding framework.
- 1.2 Comments are being sought so that these can be presented to the Executive Member on 14 March when a formal decision on these matters is planned to be taken.

**2 RECOMMENDATIONS**

**To NOTE:**

- 2.1 That the vast majority of responses to the consultation proposals on the Bracknell Forest Council Early Years Funding Formula supported the proposals made by the Council (Annexe A, Restricted Annex C and paragraphs 5.15 to 5.18).
- 2.2 The summary financial implications anticipated from the proposals on provider hourly funding rates, (paragraph 5.12).

**To AGREE:**

- 2.3 That taking account of the responses from providers, the following items are implemented as set out in the consultation document:
- a) the Bracknell Forest Council Early Years Funding Formula for 3 and 4 year olds (as summarised at Table 1).
  - b) the hourly funding rate for 2 year olds be increased to £5.46.
  - c) the Early Years Special Educational Needs and Disability Living Allowance Inclusion Fund Policy should be as set out in Annex 5 of the list of Annexes document that supported the consultation.
  - d) the budgets to be centrally managed by the council for:
    - i. SEN inclusion fund at around 1% of funds.
    - ii. Provider contingency at around 1.5% of funds.
    - iii. BFC services at around 3% of funds.
- 2.4 That taking account of the responses from providers, that eligibility for deprivation top up funding is assessed and updated on a termly basis, with

**eligibility to flexibility and quality top up funding assessed and updated once a year.**

**2.5 That the additional £0.034m of funds now available are added to the Provider Contingency budget.**

**2.6 The original Early Years budgets are set at the amounts set out in Annex B of this report, including the ring-fenced amounts for the Disability Access Fund and the Early Years Pupil Premium.**

**2.7 That there are appropriate arrangements in place for Early Years provision.**

#### **4 REASONS FOR RECOMMENDATIONS**

4.1 The proposals made are considered to be the best available, taking account of the national and local priorities, provider responses from the consultation and the estimated level of available resources.

#### **5 ALTERNATIVE OPTIONS CONSIDERED**

5.1 These have been considered in earlier reports to the Schools Forum.

#### **5 SUPPORTING INFORMATION**

##### Background

5.1 This report presents proposals on the Early Years Block element of Dedicated Schools Grant (DSG) that the Department for Education (DfE) allocates to Local Authorities (LAs) to fund provisions and support for children up to 5, including:

1. funding for three and four year olds entitlement to free education and childcare
2. participation funding for disadvantaged two year olds
3. the early years pupil premium
4. specialist and general support services.

##### DfE Reforms

5.2 The Forum has previously received an update on DfE funding proposals for 2017-18 in respect of EY services. This reported that in order to deliver the national policy objective of enabling more families to work by extending the free entitlement to childcare from 15 to 30 hours per week for parents that want to work, there would be £1 billion additional funding by 2019-20 to increase provider funding rates to encourage the development of the additional places that will be required from increased take-up. The key issues and changes required are:

1. the extension to 30 hours per week for eligible children would commence from September 2017
2. to encourage providers to increase capacity to ensure sufficient places are available, funding rates should increase

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3. to ensure funds are allocated to Local authorities (LAs) on a consistent and objective basis rather than continue with historic spending levels, an Early Years National Funding Formula (EYNFF) would be introduced
4. changes would be made to the way LAs could implement their local EY funding arrangements including:
  - a. changing the factors that can be taken into account in the determination of a provider's hourly funding rate
  - b. requiring at least 95% of an LAs EY funding to be passed on to providers, with at least 90% of the amount paid to providers having to be allocated through a uniform base rate that must be set at the same amount for all providers, irrespective of the setting type or characteristics
  - c. clarifying the expectation of arrangements to be put in place to ensure children with special educational needs or disabilities (SEND) can properly access the free entitlement.

### Provisional estimate of Early Years Block DSG income

5.3 As set out above, the DfE are introducing new funding arrangements for LAs to deliver their Early Years provisions and services for 3 and 4 year olds with an Early Years National Funding Formula (EYNFF) with four component parts:

1. A universal base rate for each 3 and 4 year old to be paid at £3.53 per hour for each eligible child;
2. Deprivation addition, based on eligibility to Free School Meals of pupils in Key Stages 1 and 2, to be paid at £2.13 per hour for each eligible child;
3. English as an additional language (EAL) addition, based on Key Stages 1 and 2 numbers, to be paid at £0.29 per hour for each eligible child;
4. Disability Living Allowance (DLA) addition, based on Department for Works and Pensions data of eligible children under 5, to be paid at £0.79 per hour for each eligible child.

An Area Cost Adjustment (ACA) is then applied in each LA based on addition labour costs and a Nursery rateable value cost adjustment. The uplift for BF is a factor of 31%.

5.4 Taking account of the estimated number of eligible children in each element of the EYNFF and the ACA uplift, the DfE has calculated the hourly funding rate for BF for 2017-18 at £4.93. This is the funding rate once the EYNFF is fully implemented. There will be 2 years of transitional funding protection where those LAs receiving the largest gains have a deduction taken in order to finance funding protection in other LAs. This results in a £0.27 per hour deduction in BF and therefore an initial rate of £4.66. Assuming a similar number of hours are provided at the DfE funding census points of each January during 2017-18 as were in 2016-17, then 1,010,110 hours will be funded by the DfE, delivering £4,707,110.

5.5 In terms of how the BFC funding rate compares to other LAs, as set out above, for 2017-18 this will amount to £4.66, with the average rate across England set at £4.77 and for the 19 LAs in the south east, there is an average rate of £4.75. Once the transitional funding protection is removed, the BFC rate rises to £4.93, with the average for England, as expected, remaining unchanged at £4.77, and the south east average increasing to £4.80. Therefore, once the transitional funding protection ends,

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the BFC funding rate will be 3.3% above the national average rate and 2.7% above the regional average.

- 5.6 In addition to the estimate of income to be received in relation to the current maximum of 15 free hours weekly education and childcare set out above, with this rising to 30 hours for eligible families from September 2017, there will be additional hours taken. The DfE has undertaken a provisional estimate based on national data and a range of assumptions and this calculates 219,184 additional hours of take up, which at £4.66 per hour, equates to further funding of £1,021,400.
- 5.7 The DfE are not proposing any significant changes to the way that LAs are allocated funding for the most disadvantaged 2 year olds as there is a relatively new allocation basis. The DfE have increased LA funding rates by 7.1%, which for BF results in an hourly funding rate of £5.88. Using current levels of take-up hours of 108,527, this indicates funding receipts of £638,140.
- 5.8 In addition to the funding set out above that will be delivered through the EYNFF, LAs will also receive additional, specific resourcing for the EY Pupil Premium at £0.53 per hour per child, and a Disabled Access Fund (DAF) to be paid to providers at £615 per eligible child. DfE estimate funding of £23,690 and £26,600 respectively. Both of these funding allocations are ring-fenced and must be allocated by LAs in accordance with DfE requirements.
- 5.9 Total estimated funding from the EY DSG Block in 2017-18 is therefore £6,414,940, as summarised below in Table 1.

Table 1: Estimated EY Block DSG income for 2017-18

Ref:	Item	Estimated amount
5.4	Funding for 3 & 4 year olds: existing 15 hours	£4,707,110
5.5	Funding for 3 & 4 year olds: additional hours	£1,021,400
	<b>Sub total: 3 &amp; 4 year olds</b>	<b>£5,728,510</b>
5.6	Funding for 2 year olds	£638,140
5.7	Funding for Early Years Pupil Premium	£23,690
5.7	Funding for Disability Access Fund	£24,600
	<b>Total</b>	<b>£6,414,940</b>

EY DSG income is recalculated in-year to reflect actual participation at each January census and therefore all amounts in Table 1 are estimates and subject to change once relevant data becomes available.

### BF consultation

- 5.10 In order to establish an appropriate local EY funding framework where this is permitted by the DfE, a consultation document was approved by the Forum for distribution in December. As well as needing to be affordable within the level of estimated income, which from Table 1 above is £5,728,510, the following key priorities were applied in formulating proposals:
1. Target financial support to children that need it the most to succeed who providers then prioritise

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2. Increase the number of free entitlement hours
3. Maximise quality of provision
4. Maximise the amount of funds paid to providers

5.11 The key element of the funding framework relates to the structure of the Early Years Funding Formula (EYFF) and the weightings to be applied to each factor and the associated proposals are summarised below in Table 2, with the full consultation document and supporting papers available to view at:

<http://schools.bracknell-forest.gov.uk/finance/early-years-funding-reform>

Table 2: Summary of the proposed BF Early Years Funding Formula

<b>EYFF Element</b>	<b>Consultation proposals</b>	<b>Outline hourly funding rate</b>
<b>Deprivation Supplement</b>	4% of EYFF via IDACI scores (low income families by post code) where more than 1 in 5 children are from low income families. Top up funding increase where 1 in 4 and again where 1 in 3 children are from low income families.  1% of EYFF via child eligibility to EY pupil premium.	£0.16, £0. 32 or £0.48  £0.77.
<b>Flexibility Supplement</b>	1% of EYFF via a range of flexible measures e.g. extended day, weekend or, school holiday provision to attract additional funds	£0.05, £0.10, £0.15.
<b>Quality Supplement</b>	3% of EYFF via setting leadership qualification above Level 5 with 30% funding addition where above Level 6.	£0.14 or £0.18.
<b>Uniform base rate</b>	91% of EYFF and balancing amount after deduction of funds for supplements.	£4.00
	Average provider rate	£4.39
	Funding from DfE to BFC	£4.66

5.12 If all of the proposals in the BFC consultation are accepted, taking account of the assumptions used in generating the financial information, the following highlight changes are expected in provider funding rates:

1. 7 providers receive up to a 5% increase in hourly rate. Of these, 5 no longer receive qualification supplement (have Level 4 leaders), 1 gets lower quality, 1 no longer gets deprivation.
2. 24 providers receive an increase between 5% and 10%. Of these, 19 get lower quality of which 14 partially offset the loss with higher deprivation, 5 receive low increases in deprivation, 1 receives a low increase in deprivation and less quality, 1 receives no supplements now or before.



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3. 15 providers receive an increase of between 10% and 15%. 10 get higher deprivation, 5 get higher deprivation and less quality
4. 17 providers receive at least a 15% increase. All of these are schools, so benefit from 26% increase in base rate (see comment below). 16 also receive higher deprivation and less quality. 1 receives less deprivation and less quality.

The most significant factor influencing the outcome on provider funding rates is the DfE requirement for the same amount of hourly base rate to be paid to all providers with at least 90% of funding having to be distributed through the base rate factor. With the existing differential funding rates of £3.17 for maintained schools and £3.70 for PVI sector providers, it is inevitable and unavoidable that schools will receive the highest increases in hourly funding rates.

- 5.13 In addition to the proposals for the BF EYFF, other key questions on the consultation document related to:
1. The criteria to apply to determine the level of financial support for young children with special educational needs or disabilities should receive.
  2. Maintaining a contingency to manage in-year changes, in particular relating to extra payments to providers where additional hours are delivered or to provide short term specific financial support where there is a danger of insufficient places being available to children in an area if a provider closes.
  3. Capping the amount of funds to be managed centrally by the council to 3%, compared to the maximum permitted level of 5%
  4. The funding rate to be paid to providers delivering the free entitlement to 2 year olds
- 5.14 The two evening briefing sessions were attended by 81 people representing 61 providers. Written responses were received from 34 settings (47% of total). This is considered an excellent rate of response and the fact that fewer written replies were received than the number of providers attending the briefings is viewed as a positive sign in that the proposals do not cause concern to the non-respondents.

Annex A provides a numerical analysis of responses to all the questions, with confidential Annex C detailing the specific comments received.

### Summary outcomes

- 5.15 Annex A shows that for the vast majority of the 27 questions posed, respondents supported the proposals made in the consultation, with at least 50% of respondents agreeing with the proposal in 25 of the 27 questions.
- 5.16 For the 2 questions with less than 50% agreement with the proposal, question 13 related to the criteria to be used for the quality supplement, where 47% agreed with the proposal, 35% disagreed and 18% did not make a response. Excluding the no response replies, then 57% support the proposal.
- 5.17 For question 15, this related to the frequency of data collection from providers to calculate eligibility to top up supplement where an annual or termly option was offered. There is a mixed response to this question with 61% preferring deprivation supplement to be updated on a termly basis, 57% preferring quality to be updated annually, with equal 50% support for annual and termly update for flexibility.

Detailed comments from providers

5.18 A number of providers made comments on the proposals and these are set out in full in the confidential Annex C. In summary:

1. 8 providers made comments on the proposed DAF (question 18). 2 supported the proposals, 5 made suggested change to the allocation of funding to providers, but this has to follow the DfE requirements, so is not permitted to change, with 1 provider requesting that the Education Health Care Plan (EHCP) process is accelerated. Whilst this comment is understandable, the process requires a period of validation of need and evidence that additional funds are required and has a statutory timeframe of 20 weeks to complete.
2. 7 providers made comments on the SEN Inclusion Fund (question 23). 4 supported the proposals, 1 requested that more notice was provided on SEN children entering settings although for September admissions, this is normally known by the end of April and is considered sufficient to plan transition, 1 requested that the relevant provider attended the panel. Here the intention is to have neutral members, including a representative from an early years setting but it would not be appropriate for a setting to represent their own request. 1 requested greater clarity, particularly around children with complex needs. The draft policy indicates that where specific interventions to support children are not successful, then the expectation is that a statutory assessment for an EHCP could commence.
3. There were 18 other comments from providers, some raising more than one matter with the general themes being:
  - a. Childminders are concerned that the funding rate to be paid is below what they are currently charging and therefore if they move to delivering the free entitlement they will suffer a loss of income. However, the amount that can be paid is directly linked to the funding provided by the government and hourly rate proposals meet the DfE conditions. 94.3% of funds received by the DfE are proposed to be passed on directly to providers through the EYFF, and when the SEN Inclusion Fund, DAF and Provider Contingency are included – the expectation being that these funds will ultimately be passed to providers – then 97.2% of funds will be received by providers.
  - b. The Quality supplement should include Ofsted ratings and leadership qualifications below level 5. However, the DfE do not allow this approach. Quality can only be recognised through qualifications or where high quality providers support others to develop their settings.
  - c. EAL support should be available to a wider range of languages. The current contract is supporting 20 languages. If more are required then providers need to present the requirement to the EY Team to consider whether further developments are possible.

Changes now proposed

5.19 Based on the responses to the consultation from providers, where there was a 47% response rate, and the vast majority indicating support for the proposals, the Forum is recommended to agree implementation of the original proposals with the exception of the Provider Contingency that should be increased by £0.034m to £0.119m. The increase relates to the amount of unallocated funding available after reviewing the costs of the proposals and adding in the extra, specific £0.025m funding that will be received for the DAF.

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- 5.20 In respect of question 15 that sought views on the frequency of checking provider eligibility to flexibility top up funding, there was 50% support for a termly update and 50% for annual update. To minimise data collection from providers, it is proposed to collect this information annually, which is the current arrangement. Other responses clearly support termly calculation of deprivation funding top ups and annual collection of quality data, and these timings are recommended to be agreed.

### Next Steps

- 5.21 The Forum is recommended to agree this approach to setting the Early Years Block related budgets to the Executive Member and also confirm that as a consequence, appropriate arrangements are in place for Early Years provisions, which the LA is required to consult with the Forum on each year. This will allow for the new Funding Formula to be implemented at April 2017 and provisional budgets issued to providers in February.
- 5.22 As there are some significant changes from current funding arrangements, a review of the impact of the new arrangements will be undertaken towards the end of 2017 to consider whether any refinements are required for 2018-19.

## **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 Finance Officer

- 6.2 The financial implications arising from this report are set out in the supporting information and can be managed within the overall level of resources anticipated for Early Years provisions and support services.

### Impact Assessment

- 6.3 There are no specific impact assessments arising from this report as the admissions policy is not being changed.

### Strategic Risk Management Issues

- 6.4 The most significant issue anticipated from the proposals is failure to deliver the number of additional free hours required by parents. This is being mitigated by the expectation that provider funding rates will increase by an average of 14.1%.
- 6.5 However the majority of provision within the private, voluntary and Independent sector will only receive between 2.5% and 10% and it is possible that a number of providers will struggle to be sustainable particularly as they will not be able to charge for the additional hours above the 15 hours free entitlement as they currently do. This could result in some providers opting out of the scheme and charge parents direct. Most schools could receive the full amount available, and many have the capacity to extend, but currently many are not keen to change their model.
- 6.6 There is also the possibility that with a new funding formula, funds allocated to providers will exceed the budget. This could be as a result of additional hours needing to be paid, or providers becoming eligible to higher rate top up payments than those currently anticipated. There could also be additional cost pressures to support

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children with SEN. These will be managed through the £0.119m contingency and High Need Block budgets.

- 6.7 Many providers operate in community/church halls where it may not be possible to expand provision. There is a lack of available space in the borough for providers to rent.
- 6.8 There will be added pressure to recruit additional, qualified, staff at the appropriate levels as there is already a shortage.
- 6.9 The council is working closely with all providers offering business and practice advice, support and guidance and encouraging collaborative working between providers. This will also mitigate some of the above risks.

## 7 CONSULTATION

### Principal Groups Consulted

- 7.1 All providers in Bracknell Forest; trades unions and other interested parties.

### Method of Consultation

- 7.2 Responses to a written consultation document, two evening briefings to providers and the same presentation to bursars in schools at the scheduled briefings.

### Representations Received

- 7.3 The representations received are summarised in the body of this report and detailed in the annexes.

### Background Papers

None

### Contact for further information

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### Doc. Ref

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	QUESTION	Schools	Pre-schools	Day Nursery	Private Nursery	Child minder	TOTAL	
	<b><u>In respect of the mandatory deprivation top up supplement:</u></b>							
1	Do you agree that the Income Deprivation Affecting Children Index (IDACI) should continue to be used as the deprivation measure? (IDACI is a geographical measure of deprivation at post code level, ranked by severity of deprivation, calculated from government from data that identifies areas with the lowest levels of family income).							
	Yes	9	11	1	4	3	<b>28</b>	82.35%
	No	0	0	0	0	1	<b>1</b>	2.94%
	No response / unsure	0	0	0	0	5	<b>5</b>	14.71%
2	Do you agree that the Early Years Pupil Premium data should be introduced as a new deprivation measure, with eligible children attracting enhanced hourly rate funding? (EYPP is measure of deprivation mainly based on families receiving income support benefits).							
	Yes	9	10	0	4	3	<b>26</b>	76.47%
	No	0	1	1	0	1	<b>3</b>	8.82%
	No response / unsure	0	0	0	0	5	<b>5</b>	14.71%
3	What proportion of funds do you think should be allocated through the deprivation measure in the BF EY Funding Formula?							
	Around 3% (£0.133m existing amount)	1	5	0	1	0	<b>7</b>	20.59%
	Around 4% (£0.178m)	2	1	1	0	0	<b>4</b>	11.76%
	Around 5% (£0.222m and recommended amount)	6	5	0	3	4	<b>18</b>	52.94%
	No response	0	0	0	0	5	<b>5</b>	14.71%

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QUESTION		Schools	Pre-schools	Day Nursery	Private Nursery	Child minder	TOTAL	
<b><u>Assuming the deprivation supplement measures are IDACI and EYPP:</u></b>								
4	What relative weighting should be applied to IDACI and EYPP?							
	IDACI at 80% and EYPP at 20% (recommended weighting)	7	5	1	4	2	<b>19</b>	65.52%
	IDACI at more than 80% and EYPP less than 20%	1	2	0	0	1	<b>4</b>	13.79%
	IDACI at less than 80% and EYPP at more than 20%	1	3	0	0	1	<b>5</b>	17.24%
	No response	0	1	0	0	0	<b>1</b>	3.45%
5	For the IDACI measure, do you agree that funding should be further targeted so that providers with 1 in 3 children from a deprived background receive 3 times the basic rate (Band 3 at £0.48), those with 1 in 4 children from a deprived background 2 times the basic rate (Band 2 at £0.32) and those with 1 in 5 children from a deprived background the basic rate (Band 1 at £0.16)?							
	Yes	8	9	1	4	4	<b>26</b>	76.47%
	No	1	1	0	0	0	<b>2</b>	5.88%
	No response / unsure	0	1	0	0	5	<b>6</b>	17.65%
6	Do you agree that to reflect the circumstances in childminder settings, the deprivation top up through the IDACI should only apply where data indicates at least 1 in 3 chance that the child(ren) are from deprived backgrounds (average score of at least 0.33), and that in such circumstances, funding will be applied at the lowest level, Band 1, estimated at £0.16 per hour? NB childminders would be funded on the same basis as all other providers for EYPP children?							
	Yes	9	9	1	3	3	<b>25</b>	73.53%
	No	0	0	0	0	1	<b>1</b>	2.94%
	No response / unsure	0	2	0	1	5	<b>8</b>	23.53%

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QUESTION		Schools	Pre-schools	Day Nursery	Private Nursery	Child minder	TOTAL	
<b><u>In respect of a discretionary rurality / sparsity top up supplement</u></b>								
7	Do you agree that there is no case for a rurality / sparsity supplement?							
	Yes	8	9	1	4	2	<b>24</b>	70.59%
	No	1	2	0	0	2	<b>5</b>	14.71%
	No response / unsure	0	0	0	0	5	<b>5</b>	14.71%
<b><u>In respect of a discretionary flexibility top up supplement:</u></b>								
8	Do you agree that a flexibility supplement should be in place in BF?							
	Yes	9	6	1	3	4	<b>23</b>	67.65%
	No	0	4	0	1	0	<b>5</b>	14.71%
	No response / unsure	0	1	0	0	5	<b>6</b>	17.65%
<b><u>Assuming a flexibility top up supplement is agreed:</u></b>								
9	Do you agree with the local definition at Annex 4 of the list of Annexes document around providing the free entitlement without restrictions of hours or days of availability, including early and late in the day, during school holidays, weekends attempting to accommodate changes in patterns of attendance, and innovative arrangements agreed by the Director of Children, Young People and Learning?							
	Yes	6	7	1	4	4	<b>22</b>	64.71%
	No	2	4	0	0	0	<b>6</b>	17.65%
	No response / unsure	1	0	0	0	5	<b>6</b>	17.65%

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	QUESTION	Schools	Pre-schools	Day Nursery	Private Nursery	Child minder	TOTAL	
10	What proportion of funds do you think should be allocated through the flexibility top up in the BF EY Funding Formula?							
	Around 0.7% of total funds (£0.028m current level)	2	4	0	1	1	8	23.53%
	Around 1% (£0.044m recommended level)	6	6	1	3	3	19	55.88%
	Around 1.5% (£0.061m)	0	0	0	0	0	0	0.00%
	No response / unsure	1	1	0	0	5	7	20.59%
	<b><u>In respect of a discretionary quality top up supplement:</u></b>							
11	Do you agree that a quality supplement should be in place in BF?							
	Yes	9	10	1	3	1	24	70.59%
	No	0	1	0	1	3	5	14.71%
	No response / unsure	0	0	0	0	5	5	14.71%
	<b><u>Assuming a quality top up supplement is agreed:</u></b>							
12	What proportion of funds do you think should be allocated through the quality top up in the BF EY Funding Formula?							
	Around 2.0% of total funds (£0.087m)	0	1	0	2	1	4	11.76%
	Around 3% (£0.131m, and recommended level)	8	6	1	2	2	19	55.88%
	5.5% (£0.240m, current amount)	1	3	0	0	0	4	11.76%
	No response / unsure	0	1	0	0	6	7	20.59%



## Unrestricted

QUESTION	Schools	Pre-schools	Day Nursery	Private Nursery	Child minder	TOTAL	
13 Do you agree that funding should be further targeted so that settings with Graduate Level 6 leaders and above receive base rate funding plus 30%, around £0.18 per hour, and those with Foundation Degree Level 5 leaders receive base rate funding at around £0.14 per hour and those with lower level leadership qualifications would not receive any top up funding?							
Yes	9	4	1	1	1	<b>16</b>	47.06%
No	0	7	0	3	2	<b>12</b>	35.29%
No response / unsure	0	0	0	0	6	<b>6</b>	17.65%
<b><u>In respect of a discretionary English as an Additional Language (EAL) top up supplement:</u></b>							
14 Do you agree that support to providers with EAL children should continue to be delivered through a specialist contract managed by BFC?							
Yes	7	9	1	4	2	<b>23</b>	67.65%
No	2	2	0	0	2	<b>6</b>	17.65%
No response / unsure	0	0	0	0	5	<b>5</b>	14.71%

Unrestricted

QUESTION		Schools	Pre-schools	Day Nursery	Private Nursery	Child minder	TOTAL	
<b><u>In respect of updating provider eligibility to hourly top up supplements:</u></b>								
15	For each of the following top up supplements, do you prefer an annual or termly update to determine provider eligibility?							
	Deprivation (requires LA activity) Annual	2	6	0	2	1	11	39.29%
	Deprivation (requires LA activity) Termly	7	5	1	1	3	17	60.71%
	Flexibility (requires LA and provider activity) Annual	6	5	0	2	1	14	50.00%
	Flexibility (requires LA and provider activity) Termly	3	6	1	1	3	14	50.00%
	Quality (requires LA and provider activity) Annual	7	5	0	2	2	16	57.14%
	Quality (requires LA and provider activity) Termly	2	6	1	1	2	12	42.86%
<b><u>In respect of the uniform hourly base rate:</u></b>								
16	Taking account of your views on the right amount of funds to be allocated through top up supplements, and having to cap the total to no more than 10% of funds, how much do you think should remain to fund the uniform hourly base rate?							
	Below 91% of total funds	0	0	0	0	0	0	0.00%
	Around 91% of total funds (recommended level)	8	8	1	3	4	24	70.59%
	Above 91% of total funds	1	3	0	0	0	4	11.76%
	no response	0	0	0	1	5	6	17.65%

## Unrestricted

QUESTION		Schools	Pre-schools	Day Nursery	Private Nursery	Child minder	TOTAL	
<b><u>In respect of updating provider eligibility to hourly top up supplements:</u></b>								
17	Do you agree that the uniform hourly base rate is introduced at April 2017 rather than being phased in over 2 years?							
	Yes	9	11	1	3	4	<b>28</b>	82.35%
	No	0	0	0	0	0	<b>0</b>	0.00%
	No response / unsure	0	0	0	1	5	<b>6</b>	17.65%
<b><u>Meeting children's additional needs: Disability Living Allowance</u></b>								
18	18. Do you have any comments on the policy proposed to support children with disabilities, as set out in sections 2 and 6 of Annex 5 of the list of Annexes document?							
	Yes	4	3	0	0	1	<b>8</b>	25.00%
	No	4	8	1	4	7	<b>24</b>	75.00%
<b><u>Meeting children's additional needs: SEN Inclusion Fund</u></b>								
19	Do you agree that there should be 3 levels of additional support; low at up to 6 hours a week, moderate at above 6 and up to 9 hours a week, with high at above 9 and up to 15 hours a week?							
	Yes	7	11	1	4	4	<b>27</b>	81.82%
	No	1	0	0	0	0	<b>1</b>	3.03%
	No response / unsure	0	0	0	0	5	<b>5</b>	15.15%

## Unrestricted

QUESTION		Schools	Pre-schools	Day Nursery	Private Nursery	Child minder	TOTAL	
20	Do you agree that in exceptional circumstances, alternative funding arrangements can be put in place?							
	Yes	9	11	1	4	4	<b>29</b>	85.29%
	No	0	0	0	0	0	<b>0</b>	0.00%
	No response / unsure	0	0	0	0	5	<b>5</b>	14.71%
21	Do you agree that it is reasonable to base the funding allocation on £9.30 per hour staff costs?							
	Yes	7	10	1	2	4	<b>24</b>	70.59%
	No	2	1	0	2	0	<b>5</b>	14.71%
	No response / unsure	0	0	0	0	5	<b>5</b>	14.71%
22	What level of funds do you think should be retained in the SEN Inclusion Fund for allocation to providers?							
	Less than 1%	0	0	0	0	1	<b>1</b>	3.45%
	Around 1%	7	11	0	4	3	<b>25</b>	86.21%
	More than 1%	2	0	1	0	0	<b>3</b>	10.34%
23	Do you have any comments on the proposed funding policy to support children with Special Educational Needs as set out in Annex 5 of the list of Annexes document?							
	Yes	2	3	0	0	2	<b>7</b>	21.21%
	No	7	8	1	4	6	<b>26</b>	78.79%

## Unrestricted

	QUESTION	Schools	Pre-schools	Day Nursery	Private Nursery	Child minder	TOTAL	
	<b>Provider contingency:</b>							
24	Do you agree that a contingency should be retained to meet the cost of in-year increases in take-up and to support providers facing financial hardship where this relates to ensuring sufficiency of places for parents and other in-year cost pressures?							
	Yes	7	11	1	3	4	<b>26</b>	76.47%
	No	2	0	0	1	0	<b>3</b>	8.82%
	No response / unsure	0	0	0	0	5	<b>5</b>	14.71%
25	If a contingency is supported, what level of funds should it contain?							
	Around 1% of funds (£0.057m)	1	1	0	1	1	<b>4</b>	11.76%
	Around 1.5% (recommended level, and £0.086m)	7	8	0	3	3	<b>21</b>	61.76%
	Around 2.0% (current amount, £0.115m)	0	2	1	0	0	<b>3</b>	8.82%
	No response	1	0	0	0	5	<b>6</b>	17.65%
	<b>Funds proposed to be centrally managed by the council INSIDE the 5% cap:</b>							
26	Taking account of the council's statutory duties, what level of funds within the 5% cap do you consider it appropriate for the council to centrally manage on behalf of providers?							
	Around 3% of funds (recommended level, £0.16m)	9	11	1	4	4	<b>29</b>	100.00%
	Around 4% (£0.215m)	0	0	0	0	0	<b>0</b>	0.00%
	Around the maximum amount of 5% (£0.27m))	0	0	0	0	0	<b>0</b>	0.00%

Unrestricted

QUESTION		Schools	Pre-schools	Day Nursery	Private Nursery	Child minder	TOTAL	
27	<b>Funding for 2 year olds:</b>							
	Do you agree that provider funding rates should be increased by 7.1%, the same amount as the funding rate paid to BFC?							
	Yes	7	10	1	4	3	<b>25</b>	75.76%
	No	0	0	0	0	0	<b>0</b>	0.00%
	No response / unsure	2	0	0	0	6	<b>8</b>	24.24%
	Total	9	11	1	4	9	<b>34</b>	
	Maximum	17			55		<b>72</b>	
	Response rate	53%			45%		<b>47%</b>	



## Unrestricted

<b>2017-18 Budget</b>	3 and 4 year olds							2 year old olds		
	Hourly / fixed funding rate	Funded hours per week	Funded weeks per year	Total funded hours	Total <b>EXCLUDING</b> additional 15 hours	Total <b>INCLUDING</b> additional 15 hours	Total	Hourly / fixed funding rate	Total funded hours	2 Year Old Funding
<b>Total through the EY Funding Formula</b>	<b>£4.39</b>	(average)			<b>£4,438,410</b>	<b>£5,401,600</b>	<b>94.29%</b>	<b>£5.46</b>	<b>108,527</b>	<b>£592,560</b>
Current average rate	£3.85									
Change	£0.54	14.1%								
<b><u>Funding to be managed by the Council</u></b>										
<i>Outside the 5% cap of EY Funding Formula:</i>										
SEN Inclusion Fund	1.0%	of total available funds				£57,290	<b>1.00%</b>			£6,380
Provider Contingency	1.5%	of total available funds				£85,930	<b>1.50%</b>			£9,570
Balance to be added to Provider Contingency						£23,690	<b>0.41%</b>			£10,490
<i>Within the 5% cap of EY Funding Formula: circa £270,000</i>										
BFC Services:	3.0%	of total available funds								
Management of the EY Funding Formula					£47,750					£0
Free milk					£11,210					£0
Early Years Development Officer X 2					£72,580					£0
Out reach: To support delivery of sufficient places.					£0					£17,600
EAL specialist Support					£28,460					£1,540
						£160,000	<b>2.79%</b>			£19,140
<b>Total BFC estimate of funding to be managed by the Council</b>						<b>£326,910</b>				<b>£45,580</b>
<b>Total</b>						<b>£5,728,510</b>	<b>100.00%</b>			<b>£638,140</b>
<u>Other Budgets</u>										
Early Years Pupil Premium						£23,690				
Ring Fenced Disability Access Fund	£615	per child with DLA	40			£24,600				
<b>Deprivation supplement</b>						<b>£48,290</b>				



## Comments made on the consultation

Provider type	Provider	Comment
<b>18. Do you have any comments on the policy proposed to support children with disabilities, as set out in sections 2 and 6 of Annex 5 of the list of Annexes document?</b>		
Childminder	DW	The proposal sounds fine to me
Pre-school	Birch Hill	I agree with the proposal
Pre-school	Owlsmoor	We feel that awarding the DAF on an annual basis would lead to inequality if the child moved setting as there is no requirement for the funding to follow the child i.e. equipment may have been purchased to support the child but there is no requirement for this equipment to be sent onto the new setting and no funding will be received at the new setting to provide the necessary equipment
Pre-school	South Hill Park	Fully support the policy. My only reservation would be that perhaps there should be guideline for 'best practice' which might states that when a child leaves a setting then they could pass some money on to the new setting if it has not already been allocated towards something and also that if the care is split between 2 settings then perhaps they could agree a split in the money. I agree that this cannot be put in policy because if the money has already been spent then a setting should not have to refund it but asking settings to consider best practice for the sake of the child may be a good idea
School	New Scotland Hill	We require some further clarification of the allocation of the DAF
School	Owlsmoor	We would welcome more clarity, particularly around children who have complex needs and are admitted into mainstream schools without any support.
School	Sandy Lane	Regarding parent nominated provider: would it be possible to consider allocating the funding to the provider that provides most of the care and education? Regarding the child moving settings: Would it be possible to move the funding with the child?
School	Uplands	The process for applying for and getting an EHCP should involve quicker input from both provider and LA as the current process could take as long as the child is in nursery, so by the time the child receives an EHCP they would be ready to move to reception. This may need to involve additional Early Years intervention and support in identification

## Unrestricted

Provider type	Provider	Comment
<b>23. Do you have any comments on the proposed funding policy to support children with Special Educational Needs as set out in Annex 5 of the list of Annexes document?</b>		
Childminder	DW	The proposal sounds fine to me
Childminder	RW	I do believe that extra funding should who need it.
Pre-school	Birch Hill	I agree with the proposal
Pre-school	Owlsmoor	Although schools will be given a transition fund we find, at present, that there is insufficient time between the school knowing which children will be attending and the end of the school year to arrange for all relevant professionals to attend a TAC meeting, thus enabling the school to plan sufficiently for the child's needs. We think the transition fund should also be linked to the schools being made aware earlier that a named child will be attending in September. Why is the onus being put on the provider to arrange the TAC meeting and not the child's Keyworker, as we are under the impression that it is part of their remit to liaise with all professionals involved with a child
Pre-school	South Hill Park	I think the panel needs to include someone from the setting which is making the application or someone from the panel needs to be representing the setting and have seen the child and spoken with the person applying in detail. Otherwise, potentially what is happening is that a group of professionals are making a decision but do not actually have enough in-depth knowledge of the child or what is needed in that particular setting on a day-to-day basis
School	Meadow Vale	Early intervention for SEN is crucial, therefore, clear guidance and funding availability is paramount to this
School	Owlsmoor	We would welcome more clarity, particularly around children who have complex needs and are admitted into mainstream schools without any support.

Unrestricted

Provider type	Provider	Comment
<b>Other comments</b>		
Childminder	CP	I was unable to find anywhere on the form to input my concerns about as a childminder being paid termly in arrears for the 30 hours funding from September 2017.As a self employed professional with bills to pay monthly this would be an issue for me and I'm sure many others, My main income comes from 3 yr olds I have in my care and to not get paid for a couple of months could potentially put me into considerable debt. Is there any reason why we couldn't receive this money monthly?
Childminder	DW	I feel that there should be more finances available for EAL - so that providers can use it towards buying dual language resources for their setting - which will then be retained by the setting for future use
Childminder	EC	I am a childminder and currently work alone with 24 children on my books and care for 12 every day. Settings apart from us get the deprivation supplement but I have just as many children as them plus if a child does half with another setting they would get the deprivation supplement and I wouldn't?
Childminder	JB	I think that it is ridiculous that childminders / nurseries and pre-schools should be asked to be creative in their delivery of the 30 hours "free" funding. I also think that Bracknell Forest council should not give up on fighting how this funding is delivered and should join the dialogue to help get the government to change their proposals on how it is delivered. Can I recommend that Bracknell Forest council Early Years has a look at the following Facebook group "Champagne Nurseries on Lemonade Funding" - this a group of nurseries and childminders who are campaigning to change how the "free" hours are delivered
Childminder	JW	Unfortunately I feel that I cannot complete this form as there is so much I don't understand/am not clear on. However from what I understand, my feelings are that the base rate of £4.10 is not in line with what a lot of current childminders, including myself, charge. This means a drop in income. I know that Ascot will be on a higher rate of £4.90 for doing the same job as Bracknell childminders and I feel this is unfair due to where we live. It sounds to me that being put onto the higher rate would be easier and would not incur any losses to childminders income and therefore we would not have to try and cover our losses in other ways, such as charging for administration. However, as mentioned I understand very little about this funding. I think that providing a simple on line calculator for us to input our information to calculate losses/gains (dependant on rate) would be beneficial and we would therefore have a clearer picture of how it will leave us financially.

## Unrestricted

Provider type	Provider	Comment
<b>Other comments</b>		
Childminder	LF	Unfortunately, the consultation documentation does not make easy reading and therefore makes it extremely difficult to comment at the level you seem to expect. I was unable to attend the arranged meetings also due to other commitments. However, what I can comment on is the effect that I believe this will ultimately have on the level of quality care provided to our youngsters in Bracknell Forest. If Childminders like me are dictated to how much they can earn from a placement, there will be an impact on the level and quality of care provided. It doesn't seem fair that any local authority, or Government can place a limit on what someone is paid and at the same time promote equality through minimum wage. I strongly believe that the impact of this initiative will be damaging to the Childminding businesses because of over complex, and under funding.
Childminder	AW	I do not feel in a position to complete this form due to lack of knowledge and understanding. I was unable to attend the meeting due to personal circumstances but have spoken to someone who did attend. To be honest the whole funding situation is going over my head, I do not understand how this is going to benefit my setting. I am hearing mixed reports as to how complicated the system is going to be. I am also extremely concerned regarding how this will impact me financially. I together with a many childminders work very hard and long hours for a rate that is well below the national minimum wage so to be advised that there is a potential risk of us receiving less than what we are charging per hour now is unacceptable especially when we are aware that a different Borough will have a base rate of £4.90 per hour compared to what is being offered for Bracknell Forest of £4.10. I cannot help feel that the funded 30 hours is more designed for Nursery settings than childminders working on their own and working 48 weeks a year. There has to be a lot more explanation in leman's terms so that it is fully understood and a fair hourly rate that warrants the job that the childminder does. I cannot help feel that more and more childminders will decide that this is no longer a viable career option.
Childminder	RW	For some reason my iPad will not let me put X in the boxes above. Obviously my main concern as a childminder is about the 30 hour free funding coming in September 2017 and how will affect my business and my income. I do have some understanding on how it will be worked out and that things still need to be finalised through Bracknell Forest Council. I'm also aware that in Ascot their base rate will be a minimum of £4.90 an hour but I also understand that is under a different Council. The deprivation supplement sounds like a postcode lottery to me and may not reflect individual circumstances. I'm not sure top ups for this and that are the way to go and not just have a higher base rate for all providers. However I will look at my business plan when we know the final verdict and see where I will have to make adjustments in order to evolve my own business

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Provider type	Provider	Comment
<b>Other comments</b>		
Pre-school	Birch Hill	<p>Quality Supplement: If a provider has a qualification of level 4 or below and they are deemed outstanding by OFSTED then they should also qualify for a quality supplement. If its solely based on qualifications then the name of the supplement should be changed to qualifications supplement!</p> <p>EAL: Although I agree with the current arrangement for EAL it would be helpful to have small amount of funding available for resources for those languages not covered by the service. For example, I regularly seem to have Hungarian children, and funding to purchase dual language books would be beneficial.</p>
Pre-school	Chavey	<p>As much as I agree with deprivation being important I am slightly concerned that the intentions for the quality of staff top up is being reduced. I personally feel level 4 is equivalent to level 5. And even level 3 should be recognised. You will find most staff will do level 3 but anything over is hard for them with there personal lives. Also they do not receive anything more for going higher as the money is not there to pay them. If you do have a graduate and they qualify they move on straight away as there is more money for them elsewhere. This is a waste of staff time as it takes a lot of work and effort to train someone up just for them to leave. As deprivation is so important surely having staff that are qualified at level 3 or above is important, but something needs to be in place to help providers support there staff and an incentive to encourage them. I personally do not feel flexibility is as important. This I feel is unfair to those settings that are run in halls and are not able to be as flexible as others as the hall may be used at other times. Also most pre-schools are staffed by parents and that this job suits them so they can pick up and drop there children off themselves, have holidays with them. If we were to offer weekend or holiday sessions we might as well become a nursery and you will lose the quality of staff you may have already I do agree that we should receive the new base rate straight away but yet again the minimum wage is going up by 30p in April so by taking away the quality of staff for myself I am not gaining anything as I am having to pay it out to staff. EAL is important but at present not enough different languages are available to help settings and also most of the time they do not turn up to the settings which is awkward when we have informed the parents this is happening. Also they do not return messages</p>
Pre-school	Owlsmoor	<p>Question 4: We agree with 80%/20%, however we think that as the EYPP becomes embedded and more eligible parents claim this funding a heavier weighting should be given to EYPP.</p> <p>Question 15: Although we have answered this, will the new Provider Portal mean that we do not have to complete a lot of information each year on the census? Will we simply have to log on check what is correct and alter what has changed? Once we know how the Provider Portal will work this may change the answer we have given to this question.</p> <p>Also, we have answered to termly for the Flexibility but once all the changes settings are likely to make around the introduction of the 30 hours we may wish to change our answer to this as well. Therefore, there are too many factors we do not know the answers to at present to answer this question accurately.</p>

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Provider type	Provider	Comment
<b>Other comments</b>		
Pre-school	South Hill Park	<p>1 The SEN support funding needs careful management. Settings are finding it more and more difficult to include children with SEN and the systems in place do not always offer enough support for providers.</p> <p>2 SEN funding needs to be agreed before the beginning of the term. Where money is being used to fund extra staff we cannot wait until the term has started to know whether or not the wages will be covered because they will already be working.</p> <p>3 The PLA support for EAL is excellent where available but there are so many languages which are not covered and for those that are they seemed overstretched (I have been waiting for Polish support for over a term now).</p> <p>4 The BFC financial year runs from April whereas in practice most changes are experienced by settings from September, therefore deprivation figures are likely to change at this point too. I don't necessarily think the figures for this need to be looked at termly but they should be looked at again for the Autumn Term.</p> <p>5 My personal belief is that flexibility should be provided by having different types of quality provision, e.g. day care, school nurseries, Pre-schools, childminders all offering what they feel they can do best. The local authority should not try to impose flexibility in certain ways if a setting does not believe that is best for them as a business and a quality provider. Settings should know what their own strengths are and direct parents to other providers if they cannot meet their needs.</p>
Pre-school	Whitegrove	<p>As much as I agree with deprivation being important I am slightly concerned that the intentions for the quality of staff top up is being reduced. I personally feel level 4 is equivalent to level 5. And even level 3 should be recognised. You will find most staff will do level 3 but anything over is hard for them with there personal lives. Also they do not receive anything more for going higher as the money is not there to pay them. If you do have a graduate and they qualify they move on straight away as there is more money for them elsewhere. This is a waste of staff time as it takes a lot of work and effort to train someone up just for them to leave. As deprivation is so important surely having staff that are qualified at level 3 or above is important, but something needs to be in place to help providers support there staff and an incentive to encourage them. I personally do not feel flexibility is as important. This I feel is unfair to those settings that are run in halls and are not able to be as flexible as others as the hall may be used at other times. Also most pre-schools are staffed by parents and that this job suits them so they can pick up and drop there children off themselves, have holidays with them. If we were to offer weekend or holiday sessions we might as well become a nursery and you will lose the quality of staff you may have already I do agree that we should receive the new base rate straight away but yet again the minimum wage is going up by 30p in April so by taking away the quality of staff for myself I am not gaining anything as I am having to pay it out to staff. EAL is important but at present not enough different languages are available to help settings and also most of the time they do not turn up to the settings which is awkward when we have informed the parents this is happening. Also they do not return messages</p>

## Unrestricted

Provider type	Provider	Comment
<b>Other comments</b>		
Private nursery	Rectory Lane	As a manager/owner of 2 'Outstanding' settings. There appears to be no incentive to be 'outstanding'. More emphasis has been put on the level of qualification. I am a level 6 graduate leader but there are many level 3 led 'outstanding sessions'
Private nursery	Rowans	As a manager/owner of 2 'Outstanding' settings. There appears to be no incentive to be 'outstanding'. More emphasis has been put on the level of qualification. I am a level 6 graduate leader but there are many level 3 led 'outstanding sessions'
School	Meadow Vale	A very robust, clear and well-explained consultation, thank you
School	New Scotland Hill	The timing of this consultation was not helpful
School	Owlsmoor	At this stage we are not considering taking 2 year olds

TO: SCHOOLS FORUM  
DATE: 9 MARCH 2017

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**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%
<b>Total</b>	<b>£5,545</b>	<b>100.00%</b>	<b>100.00%</b>

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
	<b>Initial HNB DSG</b>	<b>14.741</b>	<b>15.086</b>
	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
	<b>HNB DSG after places deduction</b>	<b>13.995</b>	<b>14.082</b>
	<b>2016-17 agreed base budget</b>	<b>13.995</b>	
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
	<b>Initial NHB DSG</b>		<b>14.669</b>
	<b>Increase to current budget</b>		<b>0.674</b>

- 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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Doc. Ref

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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							(Full year)	(Full year)
		A	B	C	D	E	F	G	H	I	J
		Final	Final	Original	Final	Estimate	Estimate	Estimate	Estimate	Estimate	Original
<b>Places and staffing - academic year data:</b>											
1	<b>Projected Maximum No. of Learners</b>	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
<b>Financials - financial year data:</b>											
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	<b>EXPENDITURE AT SCHOOL</b>	<b>£49,050</b>	<b>£339,600</b>	<b>£621,250</b>	<b>£622,150</b>	<b>£839,550</b>	<b>£952,900</b>	<b>£1,088,190</b>	<b>£1,154,000</b>	<b>£1,163,060</b>	<b>£1,161,720</b>
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	<b>NET EXPENDITURE AT SCHOOL</b>	<b>£49,050</b>	<b>£304,600</b>	<b>£533,750</b>	<b>£524,950</b>	<b>£643,450</b>	<b>£681,000</b>	<b>£762,690</b>	<b>£790,600</b>	<b>£772,960</b>	<b>£878,720</b>
20	<b>CENTRALLY FUNDED SPECIALIST THERAPIES (BF STUDENTS ONLY)</b>		<b>£20,100</b>	<b>£22,100</b>	<b>£22,100</b>	<b>£23,900</b>	<b>£30,900</b>	<b>£41,100</b>	<b>£51,500</b>	<b>£61,700</b>	<b>£70,000</b>
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	<b>NET TOTAL COST TO BFC</b>	<b>£49,050</b>	<b>£324,700</b>	<b>£548,850</b>	<b>£536,250</b>	<b>£645,250</b>	<b>£681,300</b>	<b>£767,190</b>	<b>£801,300</b>	<b>£817,160</b>	<b>£936,220</b>

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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	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
<b>Financials - financial year data:</b>											
<b>Income and charging</b>											
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.

<b>Total Funds Delegated to Special School</b>	<b>-69,000</b>	<b>0</b>	<b>-19,000</b>	<b>0</b>	
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Unrestricted

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**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	

<b>Total Maintained Schools &amp; Academies</b>	<b>130,000</b>	<b>0</b>	<b>416,000</b>	<b>67,190</b>
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## Unrestricted

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### 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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<b>Total NMSS &amp; Colleges</b>		<b>-700,000</b>	<b>0</b>	<b>-277,000</b>	<b>0</b>
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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.

<b>Total Education out of School</b>		<b>78,000</b>	<b>0</b>	<b>0</b>	<b>113,000</b>
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Unrestricted

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**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	

<b>Total Other SEN Services</b>	<b>-71,800</b>	<b>344,690</b>	<b>0</b>	<b>29,000</b>
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<b>Grand Total – Relevant budgets only</b>	<b>-632,800</b>	<b>344,690</b>	<b>120,000</b>	<b>209,190</b>
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<b>TOTAL GROWTH</b>		<b>673,880</b>		
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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
<b><u>Schools Budget - 100% grant funded</u></b>								
<b>High Needs Block</b>								
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
	<b>13,812</b>	<b>183</b>	<b>13,995</b>	<b>-633</b>	<b>345</b>	<b>120</b>	<b>209</b>	<b>14,669</b>



Unrestricted