



North Tyneside Council

Briefing note

To: Schools Forum

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Title of Briefing: High Needs Block Funding 2017-18

1. Introduction

The November meeting of Schools Forum was briefed about the emerging pressures facing High Needs SEND provision. The SEND Working was asked to prepare a paper for Forum making specific recommendations for addressing funding pressures in 2017-18.

This paper reflects the recent discussions that have taken place at the SEND Working Group. It sets out the forecast outturn for the High Needs Block in 2016-2017, highlights emerging issues for 2017-18 and makes recommendations to address the funding position.

2. Background

Local Authorities are responsible for ensuring that sufficient resources are set aside within the Dedicated School Grant (DSG) to meet anticipated demand in relation to High Needs SEND Provision. This requires strategic decisions to be taken about how the funding for 2017-18 should be distributed between the three funding blocks of the DSG, i.e. the Schools, High Needs and Early Years blocks.

3. High Needs Block position at the end of 2015-16

At the end of 2015-16, following the transfer of under-spends from the Schools and Early Years blocks, the residual High Needs balance was **-£0.785M**. This was carried forward into 2016-17. It was agreed that this would be addressed in future years.

4. High Needs Block 2016-17

The briefing note presented at the November meeting of the Forum reported the main budget pressure was around Top Up allocations for all schools. The total amount of Top Up allocations required can only be estimated as the level of need is constantly changing.

A verbal update was given at the December meeting of the forecast in year High Needs position for 2016-17, which saw an improved position by £0.100m to an underspend of £0.169m. This improved position was due to receiving an additional High Needs DSG allocation.

Since the December meeting we have received the Autumn term High Needs Top Up data and completed further monitoring and the updated in year position for 2016-17 is estimated to be **£0.233m** which also takes into account an estimate for clawback.

5. High Needs Block 2017-18

The 2017-18 High Needs block DSG allocation is **£18.68m which is a provisional figure**, final figures will be provided in March 2017 following the place review in January / February.

The indicative figures are based on the re-base lining exercise which took account of block to block transfer agreed by Forum in previous years. In addition there will be further funding from the EFA for Post-16 Special School estimated to be £0.590m and extra district income estimated to be £0.470m. Total High Needs Block budget for 2017-18 is estimated to be £19.74m

At the November 2016 Schools Forum meeting **an indication** of the forecast budget pressures emerging for 2017-18 were reported. At the time, this was estimated to be to be a pressure of **-£0.461m**. (Special Schools £280k & Top up funding of £180k).

The re- base lining provisional High Needs Block for 2017-18 budgets and making further savings in ARP and commissioned services budgets has reduced the previously anticipated High Needs pressure to an in year forecast surplus of **£0.225m**.

6. Further discussions - High Needs Block pressures

Commissioned Services

Notwithstanding the recent discussions (January SEN Meeting) around pressures on two commissioned services, Portage and Leaps and Sensory Support services based at Beacon Hill school, further detailed information was requested.

The school is currently preparing more detailed business cases for both of the services. Pressures arising from staffing costs were identified as key factors in both cases. The SEND Working Group agreed to flag the pressures on these services to the January meeting of School's Forum but projected pressures are not included in the estimates for 2017-18.

Alternative provisions money following process

Following on from the issue raised at the last Forum Meeting a group of Forum members met (Friday 6th January 2017) to consider an agreed way forward in relation to Funding Following arrangements for pupils accessing Alternative Education Provision.

It was agreed to develop proposals for arrangements to be potentially implemented from the start of the 2017-18 academic year. This topic will be discussed with respective Partnership meetings (Primary Learning Partnership, Secondary Heads, Special Schools etc) and agreed /or not at School's Forum in due course.

This work will support the conversations already being progressed with Headteacher groups.

The proposed principles underpinning the approach are that:

- the needs of pupils must drive the action taken when a change is being considered;
- the focus should be on supporting the home school to meet the needs of the child by drawing on specialist expertise and support and avoiding duplication of provision; and
- there should be a common, transparent non-bureaucratic funding following approach across Primary and Secondary phase

Table 1 below sets out the forecast level of balances for each year.

Table 1

High Needs Block Emerging Pressures	Projected re-alignment required for 2017/18 Previously Reported at Nov. Forum £k	Projected re-alignment required for 2017/18 Previously updated at Dec. Forum £k	Projected re-alignment required for 2017/18 Requiring Approval at January 2017 meeting £k
2015-16 b/fwd Balance	-785	-785	-785
2016-17 Forecast outturn.	69	169	233
2017-18 Emerging Pressures(-) /Resources in hand(+)	-461	-461	225
Cumulative Realignment required 2017-18	-1177	-1077	-327

Recommendations

The Forum is asked to:

- Note the estimated residual balance at the end of the respective financial years
- Agree the transfer of funds to the High Needs Block from the Schools Block for the residual High Needs deficit balance.
- Continue to review of all SEND High Needs provision in 2017-18, including the Funding following arrangements.