

Agenda Item 48

TITLE	2018/19 High Needs Block Budget
FOR CONSIDERATION BY	Schools Forum on 21 February 2018
WARD	None Specific;
DIRECTOR	Interim Director of People Services - Paul Senior

OUTCOME / BENEFITS TO THE COMMUNITY
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Not applicable

RECOMMENDATION

Schools Forum is asked to note and comment on the contents of the report.

SUMMARY OF REPORT

This report is to update Schools Forum on the outcome of the Council's application to the Secretary of State to transfer 0.5% from the Schools Block to the High Needs Block for 2018/19, and the resulting financial implications.

2018/19 High Needs Block Budget

Purpose of the Report

This report is to update Schools Forum on the outcome of the Council's application to the Secretary of State to transfer 0.5% from the Schools Block to the High Needs Block for 2018/19, and the resulting financial implications.

Recommendations

Schools Forum is asked to note and comment on the contents of the report.

Background

Following consultation with schools in the autumn, a proposal was made by the Council to transfer 0.5% from the Schools Block to the High Needs Block for the 2018/19 financial year. This was considered by Schools Forum at the October meeting but the proposal was not agreed.

The Council subsequently lodged an application with the Secretary of State to approve the application in the absence of School Forum agreement.

At the January 2018 meeting of the Schools Forum, a draft budget was presented which included the assumption that the transfer of funds between blocks would be approved.

Since that meeting the Council has been notified that the application has been rejected and no route of appeal is available. This decision means that the funds available to the High Needs Block for 2018/19 has reduced by £498k on that previously assumed, and this significantly increases the challenge to delivering on a balanced budget for the coming financial year.

In September 2017 the Association of Directors of Children's Services (ADCS) undertook a survey of members in order to develop a better understanding of the pressures being experienced on high needs funding.

Of the 85 local authorities who responded to the survey, 68 reported an overspend on their high needs block budget, totalling £139.5m. Pressures in the system were identified to include:

- numbers of children with SEND
- complexity of need
- inclusiveness of the system
- SEND reforms and expectations of children, young people and their families

In addressing the local context, a HNB Task & Finish Group has been established, drawn from members of the School Forum and relevant Council Officers, to review and model options for reducing the financial pressure going forward.

Financial and activity data, including trends analysis and projections, will form part of the detailed review work the group will undertake, and the local context of the pressures identified in the ADCS survey will be considered. Periodic updates on progress will be brought back to Schools Forum.

Financial Summary

A summary of the revised draft High Needs Block Budget for 2018/19, and the potential forecast commitment is contained in Appendix A.

This highlights a potential pressure of £2.4m for 2018/19 based on current known pressures and the roll forward of the anticipated deficit for the current financial year.

In addition to the review work undertaken by the Task & Finish Group, detailed work around the 2017/18 financial year end will inform options available for the coming year and the scope of opportunity in both the short and longer term.

Lynne Samuel
Senior Finance Specialist – People Services
February 2018

John Ogden
Interim Head of Finance
February 2018

APPENDIX A					
SUMMARY					
2018-19 High Needs Block Budget					
	A	B	C	D	E
			January		February
	£	£	£	£	£
	2016-17	2017-18	2017-18	2018-19	2018-19
	£000	£000	£000	£000	£000
	Out-turn	Budget	Forecast	Budget	Forecast
INCOME					
2017-18 DSG allocation	16,900	17,558	17,558	16,697	16,697
Transfer from the school block	0	0	0		
Academy Place funding	808	1,386	1,386	1,386	1,386
Total Funding from the DFE for the HNB	17,708	18,944	18,944	18,083	18,083
EXPENDITURE					
Expenditure no longer required due to 18-19 funding changes	0	0	0	-264	-264
Funding given to the Academies directly from WBC HNB	0	1,386	1,386	1,386	1,386
Funding given to the Academies directly from WBC HNB 16-17	808	0	0	0	
RESOURCE BASES - MAINTAINED					
Place funding - Resource bases	669	750	750	750	750
Top up funding - Resource bases	139	202	252	202	202
	1,617	952	1,002	952	952
The Oaks	200	200	200	285	309
Various top - up					
MAINTAINED STATEMENTED (ehc) initial allocation	532	697	942	942	942
Wokingham Academies (ehc) initial allocation	291	297	255	297	297
Additional funding for full year	240	247	240	247	240
Addlington				4,233	4,233
Northern House				1,032	1,032
Special school allocation - sub total	5,704	5,313	4,951	5,265	5,265
PRU	470	470	470	470	470
INDEPENDENT SPECIAL SCHOOL	6,155	6,619	6,686	5,542	6,686
CENTRALLY RETAINED					
Out of Borough topups	878	617	783	617	783
Post 16 top ups	0	615	842	615	842
Sensory Impairment	235	235	235	235	235
ABA Programme	55	55	55	55	55
Education out of school	638	720	658	638	638
SEN staffing support	18	20	20	20	20
Moderating Panels	183	150	200	150	200
Support for inclusion	401	507	507	401	507
SEN Transport	230	230	230	230	230
	2,638	3,149	3,530	2,961	3,510
TOTAL I & E	17,847	19,330	19,662	18,083	19,793
Carried Forward Surplus\Deficit					717
Variance against budget	139	385	717	0	2,427