

Report to the Schools Forum January 2016

2016/17 High Needs Budget

1 Introduction

- 1.1 The DfE released details of High Needs block allocations of DSG for 2016/17 on 17 December 2015. They had previously advised that “*local authorities should assume that their 2016 to 2017 allocations of high needs place funding... and other high needs funding will remain as they were allocated in 2015 to 2016.*” (Schools Revenue Funding 2016 to 2017, Operational Guide, published July 2015).
- 1.2 However, in the December allocations announcement, £92.5 million additional funds were allocated based on each LA’s proportion of “*proportion of the 2-19 population projections for 2016*”. (Dedicated schools grant: Technical note for 2016 to 2017, EFA, December 2015). This resulted in an additional allocation of £310,000 to Telford & Wrekin.
- 1.3 With the support of the sponsoring academy Trust, we had requested the withdrawal of the 8 places unit funded at Telford Park. This is not reflected in the December allocations, but for academy places such as these “*Further adjustments will be made in March 2016, to reflect the outcome of the 2016 to 2017 place change request process and for further academy conversions.*” (Dedicated schools grant: Technical note for 2016 to 2017, EFA, December 2015). We therefore assume that this change, taking effect from September, will be reflected in March, increasing the high needs funds available to the LA by $£80,000 \times 7/12 = £46,667$.
- 1.4 We have reviewed the High Needs Budget area in order to set a budget for 2016/17. As part of this we have revisited the proposals around special school places which were consulted upon in 2015, and are now proposing the following changes

Institution	Current	Consulted	Proposed
Haughton	100	118	109
The Den	-	6	6
Mount Gilbert	48	42	42
Mount Gilbert Primary	-	12	6
Southall	160	160	160
The Bridge	151	155	170
Bridge Assessment Nursery	20	20	20
Queensway	36	60	54
Total	515	573	567

- 1.5 As all the above institutions are currently maintained schools, under the 2016/17 funding rules, the local authority can move places without seeking further approval (e.g. from the Education Funding Agency).
- 1.6 The decrease in places since consultation has not significantly changed the expected costs, as the increase in places at the Bridge (relatively expensive provision) has resulted in an above average increase in funding budgeted to be provided (i.e. via the top-up). The High Needs budget as a whole also includes other areas, such as out of area placements and the costs of funding statements in schools, both of which have demonstrated increases in costs in recent years, which have had to be taken account of in the 2016/17 budget.

- 1.7 However, taking everything into account, the increase in funding described above and the saving from the removal of the places at Telford Park has enabled a contingency budget of around £150,000 to be included in 2016/17.
- 1.8 In the course of 2016, the DfE has said that it will consult upon a national funding formula for the Dedicated Schools Grant as a whole, i.e. that there will be a national funding formula for the Schools Block, the High Needs Block and the Early Years Block. They haven't yet said, and this will presumably form part of the consultation, to what extent this formula will apply at school/setting level, or whether the national formula will apply to allocations to local authorities, with a continuation of local funding formulas for funding individual institutions.
- 1.9 Given the variable nature of special schools and their pupils, it would seem that national funding at institution level is least likely for the High Needs block, i.e. it would seem very difficult to introduce uniform national top-up rates.
- 1.10 At the November meeting of the Forum, it was agreed that a High Needs sub-group should be established. The remit of this group would include assisting the LA to consider the implications of national funding changes on High Needs, to be consulted upon changes to provision (for example the proposed Mount Gilbert Primary places above) and to consider the best balance of provision for high needs pupils, between mainstream settings, local specialist institutions and out of area settings. Whilst, as a sub-group of the Schools Forum, the focus of the group will be upon the financial implications of national and local policy, this cannot be separated from the educational impact of budget decisions.
- 1.11 This group has yet to meet. It is proposed to hold the first meeting in the first half of the summer term. There may or may not have been any DfE proposals to consider by then, but it will enable the current position to be outlined in some detail to the group, to form a context for future discussions.

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