

# Budget Working Group High Needs Top-Up Funding 2014/15



Recommendations of the Tariff Top-up  
Development Group from 5<sup>th</sup> June.

- approval by School Forum July 2014
- Implementation September 2014

School	Feb 2014 Ave Payments	May 2014 Ave	High Needs Tariff	No. of pupils	Change per pupil	Full Year Budget Change
Westfield	£8,486*	£8,013*	£7,912	49	-£101	-£5,000
Barrs Court	£8,298	£8,267	£9,634**	104	+£1367	+£142,000
Blackmarston	£11,195	£11,115	£11,650	71	+£535	+£38,000
Brookfield***	£8,438	£8,370	£7,625	69	-£745	-£51,400
Total Annual	£2,625,225		+£123,600 in full year 7/12 <sup>th</sup> from Sept 14 = £72,100			+4.7%

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Note \* : 2013/14 - Westfield has £3,125 small school subsidy equivalent to £115,000 based on 36.8 pupils April 2013

Note \*\* : Barrs Court original average tariff payment pre-moderation was £11,889

Note\*\*\*: Brookfield funding increased by £100,000 for 65 pupils due to weighting changes in the tariff model

# High Needs Top-Up Tariff Recommendations as per

September 2013 consultation



Tariff	£
A	1,350
B	3,500
C	5,500
D	8,500
E	12,000
F	16,000

# High Needs Top-Up Pupil Mix 2014



School	Pupil No.	A £1,350	B £3,500	C £5,500	D £8,500	E £12,000	F £16,000
Westfield	39	-	-	38%	44%	18%	-
Barrs Court	108	-	-	19%	46%	21%	13%
Blackmarston	70	-	1%	4%	21%	53%	20%
Brookfield	65	-	-	33%	64%	3%	-

# High Needs Top-Up Protection Proposals 1 i. Brookfield



- As per Minimum Funding Guarantee (i.e. -1.5%)
- MFG calculations based on -1.5% = £126 per year.
- Will change if DfE changes MFG % in a future year.

2014/15	£24,500 ( 7/12th only)
2015/16	£34,200
2016/17	£25,700
2017/18	£17,200
2018/19	£8,600
2019/20	£0

# High Needs Top-Up Protection Proposals 2

## ii. Westfield



- As per MFG (i.e. -1.5%)
- MFG calculations based on -1.5% = £126 per year.
- Agreed protection 2013/14 at £115,000 based on 36.8 pupils (but 39 places) and paid at £3,125 extra on pupil top ups.
- Extra top-ups paid for summer term for 49 pupils so  $12 \times £3,125 \times \frac{5}{12}$  paid = £15,625 i.e. greater than £5,000 loss.
- If no. of places increased to 46 then £70,000 extra in place funding, subsidy is £35,000 (i.e.  $115 - 70 - 10$ ). Reduces to half in 2015/16.
- If no. of places increased to 49 then subsidy is £115,000 - £100,000 - £10,000 i.e. £5,000 reducing to half in 2015/16.

# High Needs Top-Up

## How to balance the budget?



### Additional Costs

- On-going £125k p.a. in full year
- First Year protection £60k max (B'fld £25k + W'fld £35k)

### Future Costs?

- Continued increase re growing complexity of need
- Continued shift to higher tariffs E & F?
- Need to fund most vulnerable pupils



# High Needs Top-Up Protection costs



- Protection options
- cap gainers - Barrs court  $79\% \times £60k = £47.5k$ 
  - Blackmarston  $21\% \times £60k = £12.5k$
- Cap reduces in future years as cost of protection falls
- Or ask School Forum to fund from 2013/14 DSG underspend

# High Needs Top-Up

## On-going cost increases



### Options - On-going Costs

- A) Adjust all tariffs by -5%
- B) reduce E & F by £1,500 to save £125k from 88 high tariff pupils at mainly Barrs Court & Blackmarston.
- C) reduce -£500 from D; -£1,000 from E and -£1,500 from F
- D) potentially absorb extra costs as the High Needs Block underspent by £389k in 2013/14.
- E) Reduce risk by retaining underspend from High Needs Block for 2014/15 with School Forum's agreement.

# High Needs Top-Up Tariff Recommendations



1. Revise Tariffs by -5% to balance the budget and allow for expected future “tariff creep”
2. Retain the DSG underspend to support the High Needs Block to reduce risk

	Original Tariff	Recommended Tariff (option A)
A	1,350	1,280
B	3,500	3,150
C	5,500	5,225
D	8,500	8,075
E	12,000	11,400
F	16,000	15,200