

Budget Planning 2019/20

1. Schools Budget

Estimated pupil numbers 22,346	£100.6m
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National Funding Formula 2018/19 factor + 1/2 % increase	£100.5m
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Potential unallocated	£100k
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As this covers the additional thresholds of £6,000 that are paid from the schools block to primary schools- can this be used to fund the primary SEN protection scheme? Note – no impact on secondary school budgets. Views of BWG?

It is proposed that consultation with schools will be through Spotlight.

2. High Needs Block

Provisional high needs allocation	£14.835m
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Actual 2018/19 allocation	£14.577m
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Potential increase (+1.7%)	£257k
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3 High needs budget pressures – to be found

a. <u>One-off funding from schools block</u>	£324k
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b. Pupil Referral Unit

Increased LGPS pension costs PRU/H3	£62k
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TP increased employer costs +7.12% Sept 19	£30k pa
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c. SEN Support Services

teachers pay award average 2.25%	£12k
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(Assume not funded as pay grant on pupil numbers)

TP increased employer cost (incl H3)	£35k
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d. potential growth in H3/PRU

based on 2018/19 PRU £60k H3 £20k	£80k
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e. Special school numbers

10 places at £10k +£10k top ups £200k

f. Independent special places

current forecast overspend £100k

Total Cost pressures £844k

Less additional DSG -£257k

High needs savings target £586k

Hence working savings target	£600k.
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Options - for discussion and further development

1. Restructure PRU to statutory places only

Early in Summer term 2018 we commissioned an external consultant to conduct a review of our SEMH provision. This report will be available in the near future with management response from the council. In relation to the work of the PRU it recommends that we provide clarity on the council's statutory duty to provide services to permanently excluded pupils and the responsibility of schools for all other pupils.

Consequently the following course of action is proposed for consultation:

Reduce PRU to statutory places only and pass financial responsibility for all other places to schools from September 2019. This will require schools and the PRU management committee to agree an operating model which meets the needs of schools and these pupils and yet is financially sustainable for the PRU. The financial implications are potentially as follows, for example:

Reduce places for PEX pupils from 80 to 50 £300k

Reduce top-ups pro-rata i.e. $\frac{3}{8} * 65 * £5,700$ £140k

Split reductions 3 ways for example, as follows:

50% as savings = £220k

Increase PRU top up by £1,000 per pupil -£50k

Delegate remainder to high schools who meet a minimum FSM threshold -£170k

Savings proposals for PRU from Sept 2019	£220k
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Note 1: These proposals will increase the non-statutory PRU charges to a minimum £15,700 (and potentially £16,700 including the increase in top-up) for discretionary places should schools place pupils.

Note 2: The council's expectation is that the PRU will save £100k in the next two- three years and recover the remaining £120k from charges for non-PEX places. Further financial modelling is necessary to ensure a sustainable PRU service. This will be done for the next BWG in consultation with the PRU Management committee and detailed analysis of the external consultant's report. DSG balances are available to support the implementation of the new operating model in the short term.

Note 3: Currently the council receives £265k income from PRU charges in 2017/18. This income will reduce under the proposed model and further consideration will be necessary as to how best to replace this income. Detailed proposals will be discussed at the BWG and with HASH.

2. Savings package for SEN support services (£1.3m)

Options include trading, maximising grants, vacancy savings,	
Reducing overheads and challenging recharges	£190k

Say 50% from April/ 50% Sept

3. Complex Needs Funding – proposed extra savings £50k

Additional to £80k in 18/19.

4. SEN protection scheme for Primaries

Already agreed to increase cap to £140/pupil on roll £40k

5. Addition £100k to be found to cover growth in independent special school placements.

6. In principle we only intend to use DSG balances to fund implementation/transition phasing.