

School and High Needs
Budget Planning 2019-20
Schools Forum
19th October 2018

Herefordshire Schools Budget

- Estimated pupil numbers 22,346 = £100.6m
- National Funding Formula
2018/19 factors + 1/2 % increase = £100.5m
- Hence potentially unallocated £100k
- Reduction in Primary LPA to £1,022 £120k
- New growth allocation £90k
- but need Forum approval re growth criteria and allocated to basic needs, KS1 or new school set-up costs

Herefordshire Schools Budget

- Already committed to NFF – question is how best to use any possible surplus funding given the £600k cost pressures in the high needs block
- Consult schools on how to use this surplus perhaps
 - Allocate additional to per pupil funding – primary and secondary schools
 - Use surplus growth funding for special schools i.e. a transfer to the high needs block
 - Maintain primary low prior attainment at £1,050 or use surplus from primary LPA to help fund Primary SEN protection in the high needs block – a choice for primary schools?
 - Or simply retain some/all in DSG balances for the future

High Needs Block 2019/20

Actual 2018/19 allocation	£14.577m
Provisional allocation 2019/20	£14.835m
Potential increase (+1.7%)	£257k
Identified cost pressures	£814k
Savings target	c£550k

HNB estimated cost pressures 2019/20

- a. One-off funding from schools block = £324k
- b. PRU/H3
- LGPS pension costs PRU/H3 = £62k
- c. SEN Support Services
- teachers pay award average 2.25% = £12k
 - TP increased employer cost (incl H3) = £35k
- d. Potential growth in H3/PRU
- based on 2018/19 PRU = £60k + H3 £20k = £80k
- e. Special school numbers
- 10 places at £10k +£10k top ups = £200k
- f. Independent special places current forecast = £100k
- Increasing pupil numbers

Annual Expenditure on SEND

Dedicated Schools Grant					
High Needs Block	2014/15	2015/16	2016/17	2017/18	Forecast 2018/19
	£k	£k	£k	£k	£k
Special Schools Places	1,900	2,900	3,400	3,700	3,600
Pupil Referral Places	700	800	900	900	900
Top-up tariffs mainstream	1,800	1,700	1,500	1,800	2,000
Top-up tariffs special	3,400	2,900	3,000	3,300	3,400
Top-up PRU	500	700	300	400	300
Post-16	900	1,100	1,200	1,100	1,100
Independent Providers	1,500	1,900	2,500	2,000	2,400
Central Services	1,400	1,400	1,500	1,300	1,200
Home and Hospital	100	200	200	300	300
Other	500	500	700	600	700
Total DSG	12,700	14,100	15,200	15,400	15,900
Local Authority Budget					
Educational Psychology	300	300	300	300	300
SEN Assessment	300	400	500	500	400
Total LA	600	700	800	800	700

Commentary: Overall expenditure has increased rapidly over the period reflecting increasing demand. In particular, expenditure on special school places and independent providers have shown the most rapid increase.

High Needs Budget 2018/19

• Special schools	£6.6m
• Independent places/CNF	£2.0m
• Mainstream top-ups	£1.9m
• PRU places & top-ups	£1.2m
• SEN Support Services	£1.2m
• Post-16 top-ups	£1.1m
• Hospital school	£0.3m
• <u>SEN Protection scheme</u>	£0.3m
<u>Total HNB</u>	£14.6m

Possible Options

<u>Complex needs funding agreement (CNF)</u>	£50k
(£80k already assumed this year) further	
<u>Reduce SEN protection for primaries</u>	£40k
School forum agreed increase last year in cap to 140 NOR	
<u>PRU (£1.2)</u>	£220k
Reduce to statutory places paid for by LA, increase cost of non-statutory places to schools	
<u>Central LA Services (£1.2m)</u>	£200k
Traded services, vacancy savings, reduce business support & overheads, schools take on some services	

Principles for making reductions

- Deliver the statutory
- Protect services for the most vulnerable
- Only trade services where it is reasonable for schools to make the decision to deliver themselves or where they will be able to purchase easily
- A fair apportionment of costs between Council and DSG
- Make the HNB sustainable in the longer term – balances only to be used to allow transition