

**SLOUGH SCHOOLS' FORUM**  
**17<sup>th</sup> January 2018**  
**Directorate of Children Learning and Skills**

---

**High Needs Block Budget (HNB) - 2018-19**

**1 PURPOSE OF THE REPORT**

To inform Schools' Forum of the latest agreed budget for the HNB for 2018/19 and estimated commitments against these resources. The report also seeks Schools' Forum agreement to the items to be centrally retained for 2018/19.

**2. AVAILABLE RESOURCES**

2.1 The budget as advised by the DfE for the High Needs Block for 2018/19 is **£22.724m**. This revised amount is after the transfer of **£0.968m** to the Schools Block to cover the transfer of the funding for SEN resource provisions and units in accordance with the changes to the National Schools Funding formula.

2.2 This means that for this year the High Needs Block would have been **£0.928m** better off if the transfer to SB wasn't made and this transfer means the HNB no longer has the funding nor responsibility for that element of unit funding; it has been transferred to the Schools Block.

2.3 The table below compares the budgets for the HNB for 2018/19 and 2017/18 allowing for the changes for Resource Bases. This shows that the **underlying** funding of the HNB for 2018/19 has increased by **£0.591m** after allowing for the changes due to the funding of resources bases.

Detail	£'m
2017-18 HNB Base	22.133
2018-19 HNB Base (Excluding transfer for Resource base funding of £0.928)	22.724
Increase	0.591

2.4 Schools' Forum members, on February 20<sup>th</sup> agreed to transfer **£0.824m** to the Schools Block and the Central Services Schools Block leaving a revised budget funded by the DfE of **£21.9m**.

Detail	£'m
2018-19 HNB Base	22.724
HNB Block adjustment	0.824
New Base HNB 18-19	21.900

- 2.4 With the addition of the Council's contribution towards the cost of the PFI schemes of £0.310m the total available funds in the HNB for 2018-19 is **£22.210m**

Detail	£'m
2018-19 HNB Base (DSG Funded)	21.900
Council Contribution for PFI	310
<b>Total HNB Resources 2018-19</b>	<b>22.210</b>

### 3. 2018/19 EXPENDITURE COMMITMENTS

- 3.1 The total estimated commitments within the HNB for 2018-19 are estimated at **£23.725m**.

- 3.2 The details of the commitments are shown in Appendix A. The key highlights are as follows:

- a) **Special Schools - Residential** – This will cost **£466k** less than last year as costs previously met by the DSG will now be met by the Social Care budgets.
- b) **Resource Bases Funding** – this will be lower than last year following the change to the National School Funding formula.
- c) **Out of Borough Placements** – These budgets have been adjusted to reflect the correct level of commitments in this area rather than the historic budget allocation.
- d) **Centrally Retained** – this will be less due to the removal of the Apollo Provision at Haybrook which is not required beyond 17/18.
- e) **PFI Contribution** – This is included in the list of commitments but is subject to the approval of SF that is sought in a separate report on the agenda.

#### 3.3 Centrally Retained Budgets

The Council's proposals for the budgets that it seeks to centrally retain are shown in detail in Appendix B. This is shown alongside the revised budgets recently discussed in detail by the High Needs Task Group and agreed by Schools' Forum in January 2018.

These need to be approved by Forum for the new financial year.

- 3.4 From 2018 to 2019, pre-16 place funding rates at SEN units and resourced provision in mainstream schools will change. The 2018 to 2019 school's budget share is determined on the basis of the total number of pupils on the roll of the school with sole and dual main

enrolment status, including those in resourced provision and special units, with no deduction made as in previous years.

Places occupied by pupils on the roll of the school at the time of the school census return are funded at £6,000 per place. The £6,000 funding rate for places occupied by these pupils reflects the per pupil funding that they attract through the schools formula. Where a place isn't occupied by a pupil who is recorded with sole or dual (main) enrolment status in the school census, the place rate is £10,000.

#### **4. BUDGET DEFICIT**

- 4.1 The total commitments of **£23.432m** compared to the revised available resources of **£22.310m** give an annual budget deficit of **£1.2m**. When the estimated overspend in the current financial year of **£4.68m**, is included, the HNB is expected to have a deficit at the end of the next financial year of **£5.88m**.
- 4.2 The £4.68m variance forecast for 17/18 is estimated based on our current understanding of the commitments. The final figure will not be known for certain until the accounts are closed in 2-3 months time. The report on the final outturn will be presented to Schools' Forum at the earliest opportunity after the final figures are known.

#### **5. PROPOSALS TO ADDRESS BUDGET DEFICIT**

- 5.1 Officers are currently conducting financial reviews on the whole High Needs Block with the aim of bringing the budget back in line as part of a three year plan and regular reports on progress will be brought to Schools Forum.

There are currently working groups established that are exploring:

- Better utilising the current existing provision that is within Slough
- Developing relationships with Slough's special schools to ensure that they are meeting the needs of the most complex learners within Slough
- The review of commissioned places within Resource Bases and Alternative Provision within Slough
- The review of provision for independent out of borough placements
- The review of the provision and expenditure of post 16 provision for Slough students

- The financial implications of Early Years Inclusion and Early Years top-up funding

## **6 RECOMMENDATIONS**

### 6.1 That Schools' Forum:

- notes the changes to the High Needs Block budget,
- notes the commitments against this budget and the budget deficits of **£1.2m** and **£5.8m** respectively,
- notes and comments on the Council's strategy for addressing the deficit;
- agrees the items proposed by the Council to be centrally retained (Appendix B).

## **7 REASONS FOR RECOMMENDATION**

7.1 The Council is required to present an annual budget to Schools' Forum for the HNB. It is also required to get specific approval for the centrally retained items.

## **8 ALTERNATIVE OPTIONS CONSIDERED**

8.1 Not applicable.

## **9 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS**

### 9.1 Monitoring Officer

The relevant legal provisions are contained within the main body of this report.

### 9.2 Section 151 Officer – Strategic Director of Resources

The financial implications of the report are outlined in the supporting information.

### 9.3 Access Implications

There are no access implications.

## **10 CONSULTATION**

10.1 The Council is required to consult with Schools' Forum on the contents of this report and specifically the Centrally Retained budgets. This report forms the basis of this consultation,

Contact for further information

George Grant

Head of Financial Management

George.grant@slough.gov.uk

**APPENDIX 1**

**High Needs Block Budget 2018/19**

<b>INCOME</b>	<b>2018/19</b>	<b>2017/18</b>	<b>Difference</b>
Estimated High Needs Block (Excluding Academies Deductions)	18,822,107	17,896,000	926,107
Academies Place funding	3,902,000	4,234,000	-332,000
Less Transfer to Other Blocks	-824,000		-824,000
<b>Sub Total DSG Funding</b>	<b>21,900,107</b>	22,130,000	-229,893
Council PFI Contribution	309,542	309,542	0
<b>Transfer from Schools Block (Agreed by Schools' Forum)</b>		300,000	-300,000
	<b>22,209,649</b>	22,739,542	-529,893
<b>EXPENDITURE</b>			
<b>SPECIAL SCHOOLS</b>			
Special Schools Places	2,810,000	2,560,000	250,000
Residential		466,569	-466,569
Council's Contribution to PFI	309,542	493,431	-183,889
HNB Contribution to PFI *	183,890	0	183,890
Special School Top up	3,555,000	3,290,000	265,000
<b>Sub Total</b>	<b>6,858,432</b>	<b>6,810,000</b>	<b>48,432</b>
<b>Academy Special School Top ups</b>			
Haybrook	1,127,000	1,259,000	-132,000
Littledown	715,000	880,000	-165,000
<b>Sub Total</b>	<b>1,842,000</b>	<b>2,139,000</b>	<b>-297,000</b>
<b>PRU top ups</b>			
Haybrook College PRU Top Up	490,000	490,000	0
Littledown School PRU Top Up	169,000	169,000	0
<b>Sub Total</b>	<b>659,000</b>	<b>659,000</b>	<b>0</b>
<b>RESOURCE AND SPECIAL UNITS</b>			
<b>Place funding +</b>			
Resource Bases Places Early Years	120,000	200,000	-80,000
Resource Bases Places Mainstream Primary	426,000	560,000	-134,000
Resource Bases Places Mainstream Secondary	0	180,000	-180,000
<b>Sub Total</b>	<b>546,000</b>	<b>940,000</b>	<b>-394,000</b>

<b>Resource Base top up</b>			
Resource Bases Top Up Early Years	54,000	194,000	-140,000
Resource Bases Top Up Maintained Primary	625,000	688,000	-63,000
Resource Bases Top Up Maintained Secondary	163,000	239,000	-76,000
Resource Bases Top Up Academies Primary	954,000	1,015,000	-61,000
Resource Bases Top Up Academies Secondary	371,000	387,000	-16,000
<b>Sub Total</b>	<b>2,167,000</b>	<b>2,523,000</b>	<b>-356,000</b>
<b>MAINSTREAM</b>			
<b>Maintained top up</b>			
Slough children's Centre top ups	16,000		16,000
Mainstream Pupils with Statements Top-up Nursery	65,000	36,000	29,000
Mainstream Pupils with Statements Top-up Primary	371,000	402,000	-31,000
Mainstream Pupils with Statements Top-up Secondary	46,000	100,000	-54,000
<b>Sub Total</b>	<b>498,000</b>	<b>538,000</b>	<b>-40,000</b>
<b>Academy top up</b>			
Mainstream Pupils with Statements Top-up Primary	1,015,000	654,000	361,000
Mainstream Pupils with Statements Top-up Secondary	456,000	556,000	-100,000
<b>Sub Total</b>	<b>1,471,000</b>	<b>1,210,000</b>	<b>261,000</b>
<b>OUT OF BOROUGH PLACEMENTS</b>			
Independent Special Schools	1,506,491	800,000	706,491
HNB Out-borough placements Special	600,000	409,750	190,250
HNB Out-borough placements Mainstream	130,000	127,890	2,110
PVI EY top ups (new cost centre requested 18.10.17)	200,000	115,310	84,690
Post 16 top up	600,000	132,236	467,764
<b>Sub Total</b>	<b>3,036,491</b>	<b>1,585,186</b>	<b>1,451,305</b>
<b>Centrally Retained (see details on Appendix B)</b>	2,302,420	2,433,415	-130,995
<b>Academy Recoupment</b>	3,902,000	4,234,000	-332,000
Contribution to Council's Corporate Overheads (Non Controllable)	149,491	149,491	0
<b>TOTAL HIGH NEEDS BLOCK EXPENDITURE</b>	<b>23,431,834</b>	<b>23,221,092</b>	<b>210,742</b>
<b>ESTIMATED ANNUAL SHORTFALL</b>	<b>1,222,185</b>	<b>481,550</b>	740,635
Add Carry Forward	4,618,996	1,468,700	3,150,296
<b>TOTAL SHORTFALL</b>	<b>5,841,181</b>	<b>1,950,250</b>	<b>3,890,931</b>

\* subject to agreement by agreed by SF

+ This is after allowing for reduction of £4k place funding now moved to the Schools Block

**APPENDIX B**  
**HIGH NEEDS BLOCK**  
**CENTRALLY RETAINED BUDGETS 2018-19**

<b>DETAILS</b>	<b>Agreed Funding 2107-18</b>	<b>Realigned Budget 21017-18</b>	<b>Proposed Budget 2018-19</b>	<b>Change</b>
Primary Provision Behaviour	164,280	164,280	164,280	0
SEN - Assessment Capacity	182,000	182,000	182,000	0
Early Years Inclusion	70,000	70,000	70,000	0
Hard to Place Pupils	267,000	267,000	267,000	0
Exclusions and Access to Education	0	31,700	31,700	0
Home Education	42,600	42,600	42,600	0
0-5 SEN Transport	46,340	46,340	46,340	0
Vulnerable Children Management Incl.	61,700	30,000	30,000	0
Autism Outreach Team	185,730	185,730	185,730	0
EY SEN Advisory Teachers/support Workers EY Settings	181,300	118,100	118,100	0
EY SEN Advisory Teachers/Support Workers in Children's Centres	0	63,000	63,000	0
SENCO Network	0	100,000	100,000	0
SEND Teacher Advisor	218,000	118,200	118,200	0
Sensory Impairment	0	470,000	470,000	0
SALT	721,770	251,770	251,770	0
Education Resource Services (Formerly LACES)	106,700	106,700	106,700	0
Haybrook Provision	130,990	130,990	0	-130,990
SEND Financial Support	55,000	55,000	55,000	0
<b>TOTAL</b>	<b>2,433,410</b>	<b>2,433,410</b>	<b>2,302,420</b>	<b>-130,990</b>