

Item 7c - High Needs Funding Block: Estimates for the 2016-17 Financial Year

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INTRODUCTION

1.1 In December 2014 the Schools Forum considered a report on a zero-based analysis of the anticipated place requirements for this financial year, 2015/16. That report identified a number of trends, including:

- a shift in expenditure from Other Local Authority and independent and non-maintained provision to local placements
- an increase in planned spending on local provision
- a continuing increase in the number of pupils with statements of SEN or Education, Health and Care Plans.

These trends have continued, and a similar in-depth analysis has been undertaken this year to inform the budget setting process for 2016/17.

HIGH NEEDS PLACES IN SPECIALIST PROVISION

- 2.1 As part of the programme to reduce reliance on out-of-Borough (OOB) and independent specialist provision, capacity has recently been expanded at Oakleigh, Northway and Mapledown Special Schools. A building programme is shortly to commence at Oak Lodge Special School, which will provide additional places, which will need to be funded in the next financial year.
- 2.2 In addition, some additional places have been commissioned at a number of ARPs, including increasing capacity at Oak Hill to provide additional SEMH places.
- 2.3 We are also anticipating that, by the start of the 2016/17 financial year, Kisharon Special School will have converted from its current status as an independent special school to become a Free School. To reflect this, £600,000 of fees currently included in the budget for Independent Special Schools has been removed and compensating provision has been made with a new Special Academies top-up budget. The place-funding element will be provided by the Education Funding Agency for three years.
- 2.4 The number of specialist places planned for 2016/17 is set out in Annex A to this report

HIGH NEEDS PLACES IN BARNET MAINSTREAM SCHOOLS 2015-16

3.1 The estimated number of statemented pupils in mainstream settings across 2016/17 is 829, which represents a small decrease in the number estimated for 2015/16. These numbers have been allocated to the existing bands as follows:

BAND	Pupils FTE	Top Up Value	Total Top Ups
Maintained Primary Band A	9	£2,382	£21,438

Maintained Primary Band B	24	£5,176	£124,224
Maintained Primary Band C	57	£7,970	£454,290
Maintained Primary Band D	83	£10,764	£893,412
Maintained Primary Band E	292	£13,558	£3,958,936
Maintained Primary Band F	2	£16,352	£32,704
Maintained Primary Band G	1	£19,146	£19,146
Maintained Primary Band H	1	£21,960	£21,960
Maintained Primary Band I	1	£24,734	£24,734
TOTAL PRIMARY	470		£5,550,844
Maintained Secondary Band A	9	£2,382	£21,438
Maintained Secondary Band B	28	£5,176	£144,928
Maintained Secondary Band C	41	£7,970	£326,770
Maintained Secondary Band D	72	£10,764	£775,008
Maintained Secondary Band E	191	£13,558	£2,589,578
Maintained Secondary Band F	6	£16,352	£98,112
Maintained Secondary Band G	1	£19,146	£19,146
Maintained Secondary Band H	0	£21,960	£-
Maintained Secondary Band I	1	£24,734	£24,734
Maintained Secondary Band M	1	£35,910	£35,910
TOTAL SECONDARY	350		£4,035,624
Maintained Nursery Band A	9	£8,382	£75,438
GRAND TOTAL	829		£9,661,906

This is £630,000 less than the estimated requirement for 2015/16.

PLACEMENTS IN OTHER LOCAL AUTHORITY PROVISION

4.1 The number of children with statements placed in schools in other LAs has increased slightly this year, mainly in other LA Special Schools, reflecting pressure on the number of specialist places in Barnet.

176 places were anticipated in 2015/16, but we are now estimating 194 will be required in 2016/17.

CC	CC Desc	Budget 2015/16	Estimated 16/17	Difference	No of FTE	Average cost
11437	Maint Prim	£510,600	£345,871	-£164,729	42.7	£8,101
11440	Maint Sec	£552,230	£649,452	£97,222	58.0	£11,197
11413	Maint Spec	£678,760	£858,918	£180,158	48.9	£17,547
11418	Acad Prim	£31,930	£74,479	£42,549	6.8	£10,961
11417	Acad Sec	£215,570	£257,165	£41,595	32.1	£8,004
11420	Acad Spec	£95,040	£67,643	-£27,397	5.7	£11,937
TOTAL		£2,084,130	£2,253,527	£169,397	194.2	£11,602

PLACEMENTS IN THE INDEPENDENT AND NON-MAINTAINED SPECIAL SCHOOL SECTOR

- 5.1 The numbers of placements in Non-Maintained and Independent Day and Residential schools has continued to fall as the result of a considerable amount of work undertaken to restrict the numbers of such placements, including challenging over 30 cases at Tribunal, and to review those already made.
- 5.2 The trend in recent years has been for the unit costs for these placements to increase substantially, but we have challenged robustly any requests for fee increases. As a result, costs have been more stable this year. The end result is that the increase in the number of places has been slightly less than anticipated and costs have not risen as much as expected. Given the expensive nature of such placements, this has a substantial effect on the budget.
- 5.3 As noted previously, £600,000 of this reduction is in anticipation that Kisharon's application to become a Free School is successful.
- 5.4 The anticipated demand for 2016/17 is as follows:

CC	CC Desc	Budget 2015/16	Estimated 16/17	Difference	No of FTE	Average cost
11415	Ind. SS Res.	£2,638,360	£2,354,102	−£284,258	24.1	£97,541
11414	NMSS Res.	£583,900	£718,854	£134,954	11.0	£65,503
11444	Nurseries Ind.	£89,340	£71,796	−£17,544	9.3	£7,692
11445	Mainstream	£1,224,150	£1,280,373	£56,223	58.3	£21,949
11427	NMSS Day	£618,680	£351,515	−£267,165	5.7	£62,032
11429	Ind. SS Day	£3,035,660	£2,257,768	−£777,892	67.0	£42,560
TOTAL		£8,190,090	£7,034,407	−£1,155,683	175.4	£40,095

OTHER CHANGES

Early Years Inclusion Fund

In previous years, only Private, Voluntary and Independent Early Years providers were allowed to request additional support from the Early Years Inclusion fund, as the maintained sectors benefited from funding in addition to the Early Years Education allocations. Now this is no longer the case, it has been decided, following consultation, that the fund should be open to all early years settings. It is therefore proposed that this fund, which supports early intervention and thereby reduces future demand, should be increased by moving £100,000 from the Specialist packages budget, which has supported some of these cases in the past.

PRU Funding

We are currently developing a banding model for PRUs, to be implemented from April 2016. At present, the Specialist Packages budget supports some exceptional PRU placements where the current level of top up is insufficient to provide the support required. About £100,000 per annum

has been used in this way in the past. It is therefore proposed to move £100,000 to the PRU top-up budget to enable the new banding structure to cover these exceptional needs.

Post 16 Placements

The estimate for the funding required to support post-16 placements in 2016/17 has been reduced by £354,000. This reflects the general demographic trend for this age group and the development of provision at Barnet & Southgate College.

SUMMARY

Overall financial implications

Despite the continuing pressures of rising numbers of pupils with SEN and increasing complexity of needs, the policy of developing local provision is continuing to offer substantial benefits. As a result, the estimate for the requirement for the High Needs Funding block for 2016/17 shows that it is in line with the budget provision for 2015/16. A summary of the detail of the proposed 2016/17 High Needs Funding Block is set out in Annex B to this report.

Risks

These estimates are the result of a rigorous analysis of placements for 2016/17, but it must be recognised that SEN placements are, by their very nature, difficult to predict. In the past few years, we have perhaps been over-cautious in our estimations, resulting in underspends at the end of the year. Given the pressure on the DSG overall, we have not built in to these figures any contingency for unexpected growth and will look to the use of the general contingency fund should this occur.

There is a particular risk should Kisharon not be successful in its application to become a Free School. The balance between the level of fees estimated would be due in 2016/17 and the level of top-ups included in the 2016/17 estimates is £375,000.

RECOMMENDATIONS

- a) The Schools Forum is asked to note the current estimated position for the High Needs Funding Block for 2016-17.
- b) The Schools Forum is asked to note the proposed number of places in Barnet's specialist provision for 2015-16.

ANNEX A: High Needs Funding Places

School	Places Sept 15	Places Sept 16
SPECIAL		
Northway	100	100
Oakleigh (incl Acorn)	106	106
Oak Lodge	165	175
Mapledown	78	78
PRU		
Pavilion	108	108
Northgate	10	10
Danegrove	3	3
The Orion	3	3
ARP		
Broadfields Primary School	24	24
Child's Hill School	13	13
Colindale School	9	9
Coppetts Wood	12	12
Hendon School-HI	21	21
Hendon School-ASD	25	25
Jewish Community Secondary School	37	37
Livingstone School- Nursery	6	6
Livingstone School	14	14
London Academy	18	18
Mill Hill High School	32	35
Summerside Primary School	11	11
The Orion Primary School	9	12
Whitefield School	4	4
TOTAL	808	824

Annex B: High Needs Funding Block Estimates 2016/17

S251	CC	CC Name	Budget 15-16 Gross	Estimate 16-17	Variation	Comments
1.0.1	10161	Special base funding - Barnet maintained schools	4,320,000	4,884,763	564,763	Additional places at Special Schools
	11392	PRU Base Funding	1,136,667	1,240,000	103,333	
	11438	ARP base funding - all phases	2,298,333	2,385,000	86,667	Additional places commissioned
1.0.1 Total		High Needs places in Individual Schools Budget	7,755,000	8,509,763	754,763	
1.2.1	10199	Statements - Children's Centres	39,737	20,000	-19,737	Compensating increase in EY Inclusion Fund
	11411	Medical Pathways - Barnet maintained schools	80,000	80,000	-	
	11413	Special topups - OOB maintained schools (includes LAC)	678,765	858,918	180,153	Reflecting demand
	11425	PRU Top-ups	858,483	855,156	-3,327	
	11431	Statement topups: Barnet maintained primary	5,234,759	5,145,847	-88,912	
	11432	ARP topups - Barnet maintained primary	1,075,536	1,202,495	126,959	Additional places commissioned
	11433	Special topups - Barnet maintained schools	5,490,372	5,799,933	309,561	Additional places commissioned
	11434	ARP topups - Barnet maintained secondary	503,402	599,288	95,886	Additional places commissioned
	11435	Statement topups: Barnet maintained secondary	1,018,242	907,418	-110,823	Demand lower than anticipated

	11436	Statements - Barnet maintained nursery classes	100,584	64,661	-35,923	
	11437	Statement topups - OOB maintained primary	510,604	345,871	-164,733	Demand lower than anticipated
	11440	Statement topups - OOB maintained secondary	552,232	649,452	97,219	
1.2.1 Total		Top-up funding - maintained schools	16,142,716	16,529,039	386,323	
1.2.2	11416	Statement topups - Post 16 FE	1,204,729	1,080,000	-124,729	Post 16 population falling and more use of Barnet & Southgate
	11417	Statement topups - OOB academy secondary	215,567	257,165	41,598	
	11418	Statement topups - OOB academy primary	31,931	74,479	42,547	
	11420	Special topups - OOB academies (includes LAC)	95,044	67,643	-27,401	

	NEW	Special topups - Barnet Academies	-	219,956	219,956	Kisharon moved from Ind Spec Schools and additional top-ups added
	11422	ARP topups - Barnet academies - primary	388,647	425,661	37,014	Additional places commissioned
	11423	ARP topups - Barnet academies - secondary	969,972	1,344,904	374,932	Additional places commissioned
	11424	Medical Pathways - Barnet academies	10,000	10,000	-	
	11442	Statement topups: Barnet academies - secondary	3,510,254	3,128,206	-382,049	Demand lower than anticipated
	11443	Statement topups: Barnet academies - primary	411,995	404,997	-6,998	
	11451	Statements - Barnet academy nursery classes	16,764	10,777	-5,987	
1.2.2 Total		Top-up funding - academies, free schools and colleges	6,854,903	7,023,786	168,883	
1.2.3	11281	External Residential Care Contribution	153,150	153,150	-	
	11410	Specialist Packages	563,544	363,544	-200,000	Movement of budgets to PRU top-up funding and EY Inclusion fund
	11414	Special Topups - NMSS Residential	583,903	718,854	134,951	Move from ind. residential
	11415	Special School Fees - Independent Residential	2,638,363	2,354,102	-284,261	Continued policy of reducing dependence
	11427	Special Topups - NMSS Day	618,676	351,515	-267,161	Continued policy of reducing dependence
	11428	Statement topups - Post 16 Independent Specialist Providers	929,191	700,000	-229,191	Post 16 population falling and more use of Barnet & Southgate
	11429	Special School Fees - Independent Day	3,035,658	2,257,768	-777,890	£600k of reduction due to Kisharon move
	11444	Statements - Private Early Years Providers	89,340	71,796	-17,544	
	11445	Statements - Independent Mainstream	1,224,146	1,280,373	56,226	
1.2.3 Total		Top-up and other funding - non-maint and ind providers	9,835,971	8,251,101	-1,584,870	
1.2.5	10183	Specialist Team Management	132,770	132,770	-	
	10184	Area SENCOs (Early Years)	281,490	325,740	44,250	Simplification of EY commissioned

							budgets
	10187	Children in Care (Education)	283,750	283,750	-		
	10190	SEN Advisory Team	700,160	700,160	-		
	10194	SEN Therapies	793,669	793,669	-		
	10195	Oakleigh Pre School Teaching	237,366	371,810	134,444		Simplification of EY commissioned budgets
	10265	SEN Inclusion - 3 and 4 year olds	128,760	293,760	165,000		Movement from Specialist Packages and 2 year olds budget
	10289	Special Schools - Insurance	12,793	12,793	-		
	10708	Tracker Project	79,440	-	-79,440		Simplification of EY commissioned budgets
	10963	SEN Training (Early Years)	17,500	17,500	-		
	10977	Barnet Early Autism Model	303,140	303,140	-		
	10978	Small Circles	21,900	-	-21,900		Simplification of EY commissioned budgets
	11291	Education Psychologist Team DSG	120,770	120,770	-		
	11397	SEN Inclusion - 2 year olds	65,000	-	-65,000		Simplification of EY commissioned budgets
	10222b	Support Services - DSG on line 1.2.5 SEN support	19,680	19,680	-		
1.2.5 Total		SEN support services	3,198,188	3,375,542	177,354		
1.2.6	11336	Hospital funding	530,006	530,006	-		
1.2.6 Total		Hospital education services	530,006	530,006	-		
1.2.11	11549	Direct payments (SEN & Disability)	200,000	300,000	100,000		Provision for expansion of Personal Budgets
1.2.11 Total		Direct payments (SEN & Disability)	200,000	300,000	100,000		
1.4.11	10213	SEN Transport (contribution)	400,000	400,000	-		
1.4.11 Total		SEN transport	400,000	400,000	-		
		Expenditure Total	44,916,785	44,919,238	2,453		