
Final High Needs Block Budget 2017/18

Report being considered by: Schools Forum
On: 6/03/2017
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Item for: Decision **By:** All Forum Members

1. Purpose of the Report

- 1.1 This report sets out the final proposal for balancing the high needs block budget over 2017/18 and 2018/19.

2. Recommendation(s)

- 2.1 To agree the budget for 2017/18 as set out in Section 5 of this report.
- 2.2 To agree that the top up high needs funding rates for 2017/18 are a 0.5% reduction on the 2016/17 rates (as set out in Appendix C)
- 2.3 To agree that the PRU top up charges for schools in 2017/18 remain the same as 2016/17 (as set out in Appendix C).

Will the recommendation require the matter to be referred to the Council or the Executive for final determination?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
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3. Introduction

- 3.1 Setting a balanced budget for the High Needs Block continues to be a challenge; funding received for this block has only seen minimal increases for several years, yet the demand in terms of numbers of high needs pupils and unit costs of provision has continued to rise. Place funding has remained static in spite of increasing numbers, and in 2015/16 local authorities took on responsibility for students up to the age of 25 with SEND in FE colleges without the appropriate funding to cover the actual cost.
- 3.2 Up until 2016/17, West Berkshire was setting a balanced high needs budget which included a significant contingency built in. 2015/16 was the first year that the budget overspent, with the contingency all used up. A decision was made to set a deficit budget in 2016/17, firstly because the Government was consulting on reforms to high needs funding, and secondly to allow the work being carried out on driving costs down to take effect.
- 3.3 The pressure on the high needs budget is a national issue, and many local authorities have significant over spends and are setting deficit budgets, some with no firm plans to recover the deficit.
- 3.4 The Local Authority's policy is to make local provision for children with SEND as far as possible and reduce reliance over time on external specialist placements. The strategy to achieve this has included the following:

- Provision of additional classroom blocks to increase capacity at Castle and Brookfields special schools
- Creation of four resourced units in mainstream schools for children with ASD
- Creation of a new secondary HI resource with purpose built facilities
- Setting up of an independent special school for children with Social, Emotional and Mental Health (SEMH) difficulties, “Engaging Potential” which provides 14 places
- Working with Newbury College to develop a new 5 day “Independent Living and Working” course
- Working with Adult Social Care to develop more supported living opportunities which, combined with local college courses, can provide an alternative to residential specialist colleges
- Commissioning of a supported employment service to support young people to access employment rather than continuing in college when they have exhausted the college courses which are likely to improve their outcomes
- Development of the special school Specialist Inclusion Support Service
- Development of the Emotional Health Academy to provide earlier intervention for young people with emotional / mental health difficulties
- A comprehensive SEN training programme for schools
- The development and roll out of Restorative Approaches
- The strengthening and expansion of the Behaviour & Attendance network
- A wide range of Educational Psychology support and training offers esp. ELSA, Coping with Worries and TA Toolkit
- Creation of The Porch as a specialist unit for the most vulnerable learners
- Creation of 6th Form Alternative Provision

3.5 In spite of these developments, expenditure on special school places has been increasing in the last 3 or 4 years. The actual number of children with Statements or Education, Health and Care Plans has remained fairly static during this period, but the proportion of those children who attend special schools as opposed to mainstream schools is increasing. The particular areas of pressure are children with moderate learning difficulties, ASD and SEMH. A sub group of the Heads Funding Group has been set up to identify ways in which capacity in mainstream schools and in the local area can be enhanced in order to control this increase in specialist placements.

3.6 The local authority has recently received a grant of £70k towards funding for high needs strategic planning which will be used to further develop these ideas. Nationally there will be £200m of capital funding to bid for, which can go towards new specialist provision.

4. Summary Financial Position

4.1 The financial position of the High Needs Block budget for both 2016/17 and 2017/18 has been continually refined over the previous few months, particularly in relation to the largest variable element of top up funding.

4.1 The DSG funding is now fixed for 2017/18, and the estimated deficit to be carried forward should not significantly change. The estimated expenditure budgets for 2017/18 are based on all services continuing and at current staffing levels/contract costs, and funding rates for top ups remaining the same for the current and/or known number and funding level of pupils. This includes costs for a new primary ASD resource opening in September 2017.

- 4.2 Based on this latest information, the budget for the high needs block now needs to be agreed.
- 4.3 Table 1 sets out the current position of the high needs block, including estimates for 2017/18 and 2018/19.

TABLE 1	2016/17 Budget £	2016/17 Forecast £	2017/18 Estimate £	2018/19 Estimate £
Place Funding	7,820,000	7,820,000	6,339,660	6,282,000
Top Up Funding	9,301,540	8,996,520	10,481,130	10,522,470
PRU Funding (top ups only)	1,033,340	1,198,340	875,870	410,000
Other Statutory Services	1,547,460	1,536,020	1,506,090	1,506,090
Non Statutory Services	865,570	833,630	868,250	868,250
Support Service Recharges	526,710	526,710	182,200	182,200
Total Expenditure	21,094,620	20,911,220	20,253,200	19,771,010
HNB DSG Allocation	20,079,150	20,079,150	20,060,000	20,060,000
HNB DSG C/F	-635,800	-635,800	-609,870	-803,070
Schools DSG Transfer	848,000	848,000		
Early Years DSG Transfer	10,000	10,000		
Total DSG Funding	20,301,350	20,301,350	19,450,130	19,256,930
Shortfall	-793,270	-609,870	-803,070	-514,080

- 4.4 The overall position for 2016/17 is now a forecast shortfall of £610k (compared to £447k reported last month, increased due to the PRU forecast overspend, but still significantly less than the original budget). This figure will now be used in the deduction to be made from the funding available for 2017/18.
- 4.5 Taking this into account, there is a shortfall of £803k in 2017/18. This goes down to £514k when taking into account the full year effect of PRU savings in 2018/19. The savings in 2017/18 from the PRU restructure will be in the part year reduction in place funding. It is proposed that for the remainder of 2017/18 the local authority will continue to subsidise the placements made by schools. This subsidy will be removed from 2018/19 creating a saving for the high needs block in this year.
- 4.6 It has already been agreed that there will be no transfer of funding from the schools block to the high needs block.
- 4.7 Under the Government's proposed high needs funding reforms, the exemplification for West Berkshire shows that it will be **highly unlikely** that more funding will be received from 2018/19 onwards, but it can be assumed that the current funding allocation will remain.
- 4.8 It was agreed at the last meeting of the Schools Forum to take a two year view, and to balance the budget over two years, particularly given that the savings from the PRU restructure will occur from 2018/19.

5. Budget Proposal

- 5.1 Appendix A sets out in detail the savings options that were considered at previous meetings. Appendix B provides the detailed background to all services funded from the High Needs block.

5.2 At the January meeting of the Schools' Forum the savings were broken down into three categories (A to C) in priority order as shown in Table 2 below:

TABLE 2	A	B	C	D
Options	Saving Agreed	Possible saving subject to further discussion	Avoid making if at all possible	Not agreed – option to be removed
Transfer early years high needs services to the early years block	50,210			40,000
Reduce number of places eligible for place funding		29,166		
Reduce top up funding by 1.5%			Up to 71,480	
Charging schools for sensory impairment services			27,000	
Administrative cost savings at Engaging Potential service	8,100			
Reduction in equipment budget (schools to seek grant funding)	10,000			
Reducing speech and language therapy sessions	26,000			
Staff savings in Home Tuition	20,000			
Removal or reduction of Language and Literacy Units			Up to 67,783	
Reduce/remove Specialist Inclusion support Service or charge schools		Up to 70,000		
Reduce PRU outreach		40,000		
Reduce staffing/service from CALT team			55,000	
Reduce number of ASD teachers			55,000	
Reduce or remove the Vulnerable Childrens Fund			Up to 60,000	
TOTAL	114,310	139,166	336,263	40,000

5.3 Assuming that any savings made in 2017/18 will be ongoing, and the same level of saving is made in each year going forward, a longer term view can be taken in order to pay back the deficit.

5.4 If just category A savings are agreed, it will take three years for the deficit to be paid back and the budget to balance. The Heads funding Group were uncomfortable with this approach, and recommend that more savings than just category A are taken. They are recommending the following additional savings, totalling £104,780, bringing the total savings in 2017/18 to £219,090:

- £20,000 reduction to the Specialist Inclusion Support Service – the two special schools to absorb the cost.
- £40,000 reduction to PRU outreach – the PRU to absorb the cost.
- £20,000 reduction to the Vulnerable Childrens Fund.
- £24,780 by reducing top up rates for mainstream, resource units and special schools by 0.5%

5.5 The impact on the budget if these savings are agreed are shown in Table 3.

TABLE 3	2017/18 Estimate £	2018/19 Estimate £	2019/20 Estimate £
Place Funding	6,339,660	6,282,000	6,282,000
Top Up Funding	10,456,350	10,497,690	10,497,690
PRU Funding (top ups only)	875,870	410,000	410,000
Other Statutory Services	1,441,990	1,441,990	1,441,990
Non Statutory Services	738,040	738,040	738,040
Support Service Recharges	182,200	182,200	182,200
Total Expenditure	20,034,110	19,551,920	19,551,920
HNB DSG Allocation	20,060,000	20,060,000	20,060,000
HNB DSG C/F	-609,870	-583,980	-75,900
Schools DSG Transfer			
Early Years DSG Transfer			
Total DSG Funding	19,450,130	19,476,020	19,984,100
(Shortfall) / Surplus	-583,980	-75,900	432,180
Percentage of Allocation	2.9%	0.4%	2.1%

5.6 This strategy will bring the high needs block back into balance in 2019/20 should funding and demand remain equal. However, the review on high needs provision will continue, which should deliver further savings over time.

5.7 Appendix C sets out the new top up rates should this particular saving be agreed.

6. Appendices

Appendix A – Savings Options 2017/18

Appendix B - High Needs Budget Detail

Appendix C – High Needs Top Up Rates

Savings Options 2017/18

1. Option 1 – Set a deficit budget in 2017/18

This approach was taken in 2016/17 to avoid cutting services prior to knowing the results of the high needs funding reform consultation which *may* have resulted in additional funding for West Berkshire. As West Berkshire is unlikely to receive more funding in the future, it would be advisable to plan to balance the budget over no more than two years. A longer term savings plan could justify a deficit being set in the short term. Given that the PRU Strategic Review should deliver significant savings from September 2017, this would be a reasonable approach to take. Assuming the savings will be in the region of £500k for a full year, this would halve the savings required to be made by the end of 2018/19. However, this assumes no reduction in the high needs block funding allocation in 2018/19, and no further increase in demand and costs other than those currently known.

2. Option 2 – Transfer early years high needs services to the early years block

A new formula to determine early years funding is going ahead from 2017/18 and this includes a cap of 5% on central spend (7% in 2017/18). Central spend can include high needs costs in relation to early years pupils. The current central spend is below this cap, so it would be possible to move eligible services out of the high needs block to be funded from the early years block. This could include SEN support for pre-school children. The budget is currently £50,210 but would need to be increased to approximately £65,000 to allow for the fact that some families of children with SEND would be eligible to claim up to an additional 15 hours per week of early year's provision. This would be a saving of **£50,210**.

It is also proposed that the £85,000 cost of the Early Development and Inclusion Team (previously known as Pre School Teacher Counsellors) should be met from the early years block. This would be a saving of **£40,000**.

3. Option 3 – Reduce number of places eligible for place funding

If the number of pupils on roll at special schools/resourced units is consistently below the number of places being funded, there is the option to reduce the number of places being funded and to transfer this place funding to special schools/units that are consistently above their place numbers e.g. the special schools. This would then reduce the additional top up payments that are made for additional places and included in the budget figures. However, most resourced units are full or over numbers. There is only one resourced unit where there may be a possibility of reducing planned places. This is currently under discussion. The maximum which could be saved is **£29,166**.

Implications / Risks:

- (1) Redundancy costs would be incurred.
- (2) The number of pupils needing a placement may go back up and experienced staff will have been lost. Possible placements for

September 2017 will need to be considered very carefully before a decision is made.

4. Option 4 – Reduce top up funding

Although possible, any reduction to top up funding would be subject to minimum funding guarantee.

If mainstream top up rates were reduced by 1.5% the saving would be **£10,630**

If resourced unit top up rates were reduced by 1.5% the saving would be **£14,130**

If special school top up rates were reduced by 1.5% the saving would be **£46,720**

Implications / Risks:

- (1) Impact on school budgets as provision set out in Statements/EHC Plans would still have to be made.
- (2) Possible difficulty in placing high needs pupils.
- (3) Significant risk of legal challenge/judicial review if schools reduced provision for pupils with Statements / EHC Plans as a result of reduced top up funding.

5. Option 5 – Sensory Impairment

A saving equivalent to 10% of the total budget has been achieved in 2016-17 through the following measures:

- Reducing the number of visits for non statemented / EHC children with hearing impairment from 4 or 5 to 3 per annum and providing training for schools to meet more needs themselves
- Reorganising staffing so that a higher proportion of support for children with visual impairment is delivered by trained TAs rather than teachers
- Reducing support for some individuals who no longer require such a high level of support, through annual reviews
- Rationalising the number of visits provided to special schools

It is not possible to make further reductions without compromising the needs of children with sensory impairment. Visits for pupils who do not have a Statement or EHC Plan have already been reduced to a minimum level which is acceptable. Visits for children who have Statements or EHC Plans have been set at a level which is deemed necessary to give them access to the curriculum.

The only potential option for savings would appear to be charging schools for the SCS service which is provided for children who do not have a Statement or EHC Plan. This could raise income of approximately **£27,000**.

Implications / Risks:

- (1) This could create a perverse incentive for schools and parents to seek EHC assessments / plans for children who have a sensory impairment, with associated costs.

(2) Additional pressure on schools budgets.

6. Option 6 – Engaging Potential

Engaging Potential has 14 places for students who have a Statement or EHC Plan and who have significant behavioural difficulties. This provision was set up as an alternative to more costly out of area placements. Pupils may have previously attended mainstream schools, Pupil Referral Units or specialist schools.

The current contract runs until 2018, but can be varied with 6 months' notice. We have been successful in selling two places to other Local Authorities which is why the budget required for this service next year is less than the current budget. The remaining 12 places are all occupied by West Berkshire pupils. Some of these pupils will leave at the end of this academic year, but we always have a number of new West Berkshire referrals every year so there is no guarantee that it will be possible to sell more than 2 places in 2017-18.

Engaging Potential caters for young people with very significant social, emotional and mental health needs who cannot be placed elsewhere. The unit cost per pupil is £38,590 which compares very favourably with the costs of other independent or non maintained SEMH special schools (which start at around £70,000 per annum). The majority of the budget is allocated for staffing and off site activities which are part of the students' individual educational programmes. Staffing has been rationalised in recent years to reduce management and administrative capacity. Scope for further cost reduction is therefore very limited. A small reduction in administrative costs could be made which would save **£8,100**.

Implications / Risks:

(1) Engaging Potential would have no scope left in its budget for contingencies and may seek additional top up funding from the Local Authority for pupils with the most complex needs

7. Option 7 – Equipment

The budget for equipment in schools for children with SEND is currently £20K and is always fully spent.

The budget could be reduced by **£10,000** if schools funded 50% of the cost of equipment for pupils with Statements / EHC plans.

Implications / Risks:

(1) Increased funding pressures on schools

(1) Risk of budget overspend e.g. if a small school genuinely can't fund an expensive item and there is a statutory duty to provide it

8. Option 8 – Therapy Services

The service includes speech and language therapy and occupational therapy for children with Statements / EHC Plans. There is a statutory duty to provide these services to children who have a need for speech and language therapy or occupational therapy written in to their Statement or Education, Health and Care

Plan as an educational need. The NHS has no duty to provide therapy in these situations. A saving equivalent to 10% of the total budget has been achieved in 2016-17 by reducing the frequency of therapists' visits to schools.

There is no scope to reduce overhead costs. These were assessed in detail as part of a previous savings exercise and were considered to be very low.

It may be possible to make further reductions in visits to children in schools.

It may be possible to reduce speech and language therapy to two resourced units which are under numbers currently, (a reduction of half a day of therapy per week each) which could save **£13,000** per annum.

Consideration could be given to reducing speech and language therapy to the special schools by half a day of therapy each, which would make an additional saving of **£13,000**.

Implications / Risks

- (1) If numbers in the two resourced schools were to go back up, therapy would need to be reinstated to current levels
- (2) Special schools would have their therapy provision reduced by 12%. There would be more reliance on staff in the special schools to deliver therapy targets through the curriculum
- (3) Possible challenge by parents

9. Option 9 – Home Tuition

Home Tuition on medical grounds is a statutory requirement, currently commissioned by WBC from the Reintegration Service which manages the service. This was part of the PRU consultation and a subsequent decision has been made to retain the link with the Reintegration Service in 2016/17, and then the new PRU in 2017/18, whilst consideration is given its longer term future and delivery model.

Currently the Home Education budget is forecasting an overspend of approximately £65k due to increased numbers. If premises can be improved then savings could be made to staffing budgets as pupils can be taught together.

In 2017/18 an estimated saving of **£20,000** could be made by using other premises and creating group tuition.

Implications/Risks:

The service is a statutory requirement and therefore cannot be removed entirely.

The risks of moving it to another setting or organisation will be considered when it is reviewed in 2017/18.

If the budget is reduced for 2017:

- (1) Pupils may not received their statutory entitlement to 'as close to full-time' as they can manage
- (2) Individual tuition will be reduced and education will be accessed on-line. This could have an impact on KS4 results.

- (3) Young people will receive less input from trained adults aiming to reintegrate them into their mainstream schools by developing social and emotional skills and reducing anxiety.

10. Option 10 - Language and Literacy Units (LALs)

LALs offer specialist part time provision for primary pupils with significant specific literacy difficulties.

It would be possible to close both LALs which would generate a saving of **£67,783** in 2017-18 and £116,200 in future financial years.

Another option would be to close one LAL or retain both LALs but operate them on a part time (50%) basis. This option would generate a saving of **£33,891** in 2017-18 and £58,100 in future years.

Another option would be to retain the LALs but make them self funding with places purchased by schools, but this would create another funding pressure on schools.

Implications / Risks:

- (1) LAL places would be lost altogether or reduced by 50%. There is a risk of increased EHC requests from parents and schools for children who are unable to access a LAL place. This is considered to be a high risk and would impact directly on the Mainstream School Top Up budget.
- (2) Risk of appeals to the SEND Tribunal for specialist school placements, with associated costs.
- (3) Risk of increased cost to schools in making specialist provision for children who would have attended LAL.
- (4) Risk that children will not have their needs met if schools are not able to replicate the quality and intensity of provision with LALs offer.
- (5) Redundancy costs would be incurred.
- (6) Feedback suggests that LALs are highly regarded by parents and schools. Their closure would create significant negative publicity.

11. Option 11 – Specialist Inclusion Support Service

This service supports children with learning difficulties and associated needs in mainstream schools. Consideration could be given to removing or reducing this service.

Removal of the service would generate a saving of **£70,000**.

Reducing the service by half would generate a saving of **£35,000**.

Another option would be to retain the service but make it self funding with provision purchased by schools, but this would create another funding pressure on schools.

Implications / Risks:

- (1) Possibility of schools / parents seeking more special school placements, with associated costs.

(2) Children / staff in mainstream schools unable to access suitable support.

(3) Additional pressure on other SEN services such as CALT and the ASD Service.

12. Option 12 – PRU outreach

From Sept 2017 an outreach facility will be part of the new PRU arrangements dependent on capacity.

A cut of £80k was made to this separate budget in 2015/16, with the PRU absorbing the cost. Further savings or removal of this budget is possible.

The total budget is currently £117k. A further cut of **£40,000** could be made by amalgamating the outreach function into the new PRU arrangements, and carrying out a needs assessment with schools to gauge their requirements.

Implications/Risks

- (1) Schools to support pupils on reintegration into their schools without additional help, reduce the number of outreach sessions they receive, or pay in full for these sessions.
- (2) Less support to schools in reintegrating young people who have been permanently excluded from another school
- (3) Greater costs on Reintegration Service budget

13. Option 13 – CALT Team

The CALT Team has been working to an income target since April 2015 which has achieved a saving in the HNB. The team may not meet its full income target in 2016-17 (although the impact of any shortfall will be on the Education Service budget rather than DSG). Evaluations of the service are consistently very positive, but some schools report they cannot afford to buy the service or to buy as much support as they would like.

A restructuring process is already underway which will reduce staffing to bring the expenditure in the trading budget in line with the likely income to be generated by the team.

It is not therefore realistic to set an increased income target. Savings could only be made by reducing the size of the service. A reduction in one full time member of the team would save **£55,000**.

Implications / Risks:

- (1) The core service provided free to all schools who do not buy in would be reduced or removed
- (2) Reduced support for children and impact on levels of SEN expertise and training of staff in schools.
- (3) Possible increase in EHC requests, with associated costs.

14. Option 14 – ASD Teachers

The ASD Advisory Service provides advice, support and training for mainstream schools on meeting the needs of children with Autistic Spectrum Disorder. The purpose of the service is to enable children with ASD to be successfully included in mainstream schools wherever possible.

Given that the greatest pressure on the HNB is children moving from mainstream to specialist ASD schools, it is strongly recommended that this service is not reduced.

A reduction in one full time member of the team would save **£55,000**.

Implications / Risks if the service were to be reduced:

- (1) No or reduced support for schools in meeting the needs of children with ASD. Evidence suggests that children with ASD present the greatest challenge to mainstream schools compared to children with other types of SEND.
- (2) Pressure for EHC Assessments and Plans for children with ASD who are not currently statemented, with associated costs
- (3) Increase in demand for placements in specialist ASD schools, with associated costs. This is considered to be a very high risk.

15. Option 15 – Vulnerable Children

The Vulnerable Children's Fund of £60k p.a is a highly appreciated, relatively small fund, especially for small schools who have unexpected additional financial pressures due to in-year admissions of children with challenging behaviour. It is specifically devised to promote social inclusion, reduce exclusions and take the pressure off SEN budgets by providing temporary funding.

The budget was reduced in 2015/16 from £80k to £60k. It is possible to remove completely or reduce the fund i.e. only being available for primary schools and / or funding given for shorter periods, or no funding extensions.

The criteria have been strengthened this year, with funding allocated for shorter periods and fewer extensions.

Impact: A survey monkey was sent out to all VCF recipients. There were 7 replies. All 7 reported that VCF was a significant support. 8 out of 11 pupils had no more exclusions. All pupils made both social and academic progress if they remained in school.

Previously, Heads Funding Group has indicated its reluctance to further reductions of this fund.

Implications/ Risks:

If schools, particularly smaller primary schools, cannot access this support in the future it could lead to:

- (1) Increased movement between schools, with schools being asked to admit more pupils with behaviour difficulties
- (2) Higher exclusion figures

- (3) Pressure on the Reintegration Service as more schools ask for primary placements at The Oaks
- (4) Greater pressure on the costs associated with EHC plans and expensive statutory provision
- (5) Increased pressure on the capacity of specialist support services

However, there are no staffing costs associated with this fund so removing it would be simple.

High Needs Budget Detail

1. Place Funding - STATUTORY

- 1.1 Place funding is agreed by the Education Funding Agency (EFA) and has to be passed on to the institution, forming their base budget. Academy and post 16 places are included in the initial HNB allocation but the agreed place numbers are then deducted and paid to the institution direct (DSG top slice). From the 2017/18 financial year the funding will exclude Non Maintained Special Schools (i.e. places at Mary Hare School), but will include all places at further education colleges (i.e. Newbury College). As a result of these changes there will be an adjustment to the funding received in 2017/18, though this is based on 2016/17 places so won't necessarily have a neutral impact.
- 1.2 The EFA is not funding any overall increases to places, although in West Berkshire the actual number of places is greater than the number funded and there continues to be an increase in demand for places in special schools. **Table 1** currently shows no increase to special school planned places, as there is no additional planned place funding to allocate unless there is surplus planned place funding in other institutions which can be reallocated. If no place funding can be released from other institutions, and if it is decided that additional planned places should be funded at the special schools, this is a pressure on the High Needs Block.

TABLE 1 – Place Funding Budgets	2016/17 Budget			2017/18 Estimate		
	No. of Places Funded by EFA	£	Current No. of Places	No. of Places Funded (from 1/9/17)	£	Forecast No. of Places
Special Schools – pre 16 (90540)	286	2,860,000	303	286	2,860,000	286
Special Schools – post 16 (DSG top slice)	79	790,000	84	79	790,000	79
Resource Units Maintained – pre 16 (90584)	50/45	470,830	21	45	350,000	35
Resource Units Academies – pre 16 (DSG top slice)	69/74	719,170	72	74	886,660	92
Mainstream Maintained – post 16 (DSG top slice)	8	48,000	2	8	48,000	8
Mainstream Academies – post 16 (DSG top slice)	22	132,000	15	22	100,000	14
NMSS – pre 16 (DSG top slice)	148	1,480,000	N/A	No longer part of LA budget		
NMSS – post 16 (DSG top slice)	48	480,000	N/A	No longer part of LA budget		
Further Education	Not part of LA budget in 16/17		95?	95	570,000	95
PRU Place Funding (90320)	84	840,000	84	84	735,000	66
TOTAL	794	7,820,000	676	693	6,339,660	675
Funding Adjustment to DSG					-1,390,000	

- 1.3 Work is currently underway to determine, as far as possible, the likely numbers in special schools, resourced schools and mainstream sixth forms in September 2017. These figures can never be totally accurate as assumptions have to be made about which pupils will leave and which will join. Estimated 2017 numbers will be reported to the next meeting.
- 1.4 When the September 2017 position is clearer, it may be necessary to consider whether planned places at any of the resourced units should be reduced, if numbers have been consistently below planned places.
- 1.5 There may be scope to reduce planned place numbers in some mainstream sixth forms.
- 1.6 The number of places in PRUs may reduce as a result of the service review. This would release planned places for redistribution to other institutions.

2. Top Up Funding – STATUTORY

- 2.1 Top up funding is paid to the institutions where we are placing pupils who live in West Berkshire (we do not pay our institutions for pupils who live outside West Berkshire). **Table 2** shows the budget and forecast for 2016/17 and the estimate for 2017/18. The forecast for top up funding in 2016/17 is based on pupils currently receiving this funding (autumn term) and assumes no change in numbers to the end of the financial year.
- 2.2 The main areas of pressure in the top up budgets for 2017-18 are likely to be independent and non maintained special schools and FE college placements. The predictions of cost for 2017-18 take in to account known pupils whose needs can no longer be met in local schools, together with some cases which are due to go to the SEND Tribunal. It is not possible to predict all pupils who may need placements in 2017/18. The figures assume a middle ground between the best case scenario and the worst case scenario (financially) in terms of Tribunal outcomes.
- 2.3 There will be additional top up costs associated with the new Fir Tree ASD Resource, opening in September 2017. These have been taken in to consideration.

TABLE 2 Top Up Budgets	2015/16 Budget		2016/17 Budget			2017/18 Estimate
	Budget £	Outturn £	Budget £	Forecast £ (Month 10)	Over/ (under)	
Special Schools Maintained (90539)	2,730,940	2,815,857	3,142,550	3,123,190	-19,360	3,253,540
Non WBC special schools (90548)	735,240	1,067,954	1,068,100	919,580	-148,520	1,086,890
Resource Units Maintained (90617)	329,230	341,228	367,910	303,260	-64,650	203,640
Resource Units Academies (90026)	419,730	418,346	546,760	483,100	-63,660	772,230
Resource Units Non WBC (90618)	27,860	36,768	50,000	39,150	-10,850	55,000
Mainstream Maintained (90621)	459,980	477,633	480,420	526,410	45,990	536,690

Mainstream Academies (90622)	213,240	181,648	184,790	184,790	0	192,370
Mainstream Non WBC (90624)	62,150	77,129	66,220	74,130	7,910	66,960
Non Maintained Special Schools (90575)	905,320	829,669	750,950	805,080	54,130	891,130
Independent Special Schools (place & top up) (90579)	1,583,850	1,527,967	1,683,500	1,639,100	-44,400	2,012,700
Further Education (90580)	990,040	937,842	832,650	783,710	-48,940	1,309,980
Disproportionate HN Pupils (90627)	50,000	87,966	127,690	115,020	-12,670	100,000
TOTAL	8,507,580	8,800,007	9,301,540	8,996,520	-305,020	10,481,130

2.4 The LA has a statutory duty to pay top ups according to a pupil’s Statement or EHC plan. The only option for reducing spend on top ups in West Berkshire schools is to reduce the value of top up bandings. This would impact on individual school budgets. It would also have statutory implications as Statements and EHC Plans include either a number of hours of TA support or a funding band value.

3. Pupil Referral Units (PRU) – STATUTORY

3.1 **Table 3** shows the budgets for PRU top ups. The decision by Schools’ Forum for 2016/17 was to reduce the top up rate and increase the charge made to schools to reduce actual spend from the high needs block. This change was effective from September 2016. The 2017/18 estimate includes the full year effect of this change.

TABLE 3 PRU Budgets	2015/16 Budget		2016/17 Budget			2017/18
	Budget £	Outturn £	Budget £	Forecast £ (Month 10)	Over/ (under)	Estimate
PRU Top Up Funding (90625)	1,061,000	1,267,764	1,033,340	1,198,340	165,000	875,870
Non WBC PRU Top Up Funding (90626)	0	11,800	0	0	0	0
TOTAL	1,061,000	1,279,564	1,033,340	1,198,340	165,000	875,870

3.2 The Strategic Review will inform funding arrangements from September 2017, and should deliver further savings not taken into account in the above figures.

4. Other STATUTORY Services

4.1 **Table 4** details the budgets for other statutory services. The pressure in the current year relates to the Home Tuition Service and the Hospital Tuition Service, although these pressures have been largely offset by savings in other areas.

TABLE 4 Other Statutory Services	2015/16 Budget		2016/17 Budget			2017/18 Estimate
	Budget £	Outturn £	Budget £	Forecast £ (Month 10)	Over/ (under)	
Applied Behaviour Analysis (90240)	110,730	75,193	76,130	82,130	6,000	76,000
Sensory Impairment (90290)	227,440	244,083	238,800	205,120	-33,680	215,710
Engaging Potential (90577)	540,260	495,274	540,260	502,830	-37,430	463,260
Equipment for SEN Pupils (90565)	20,000	20,535	20,000	17,640	-2,360	20,000
Therapy Services (90295)	315,430	324,932	324,430	293,460	-30,970	293,460
Elective home Education Monitoring (90288)			27,840	24,840	-3,000	27,660
Home Tuition Service (90315)	300,000	338,487	300,000	365,000	65,000	365,000
Hospital Tuition (90610)	0	19,363	20,000	45,000	25,000	45,000
TOTAL	1,513,860	1,517,867	1,547,460	1,536,020	-11,440	1,506,090

4.2 **Applied Behaviour Analysis (ABA)**

4.2.1 This budget supports a small number of children with Statements / EHC Plans for whom the Authority has agreed an ABA programme as part of their statement. ABA is an intensive intervention programme for children with autism which aims to modify behaviours which are typical of ASD in order to allow children to function more successfully in school and in society.

4.2.2 This budget also covers the cost of children with Statements / EHC Plans accessing other bespoke educational packages where this is the most appropriate and cost effective way of meeting their needs.

4.3 **Sensory Impairment**

4.3.1 Support for children with hearing, visual and multi sensory impairments is purchased from the Berkshire Sensory Consortium Service. This includes support from qualified teachers of HI and VI, audiology and mobility support. The service supports both stated and non stated children.

4.3.2 West Berkshire Council has a contract with the Sensory Consortium Service which is due for renewal in April 2017.

4.4 **Engaging Potential**

4.4.1 Engaging Potential is a commissioned service providing alternative educational packages for 14 young people in Key Stage 4 with statements for behavioural, emotional and social difficulties whose needs cannot be met in any other provision. West Berkshire Council's contract with Engaging Potential was renewed in July 2015 for 3 years. When the contract was retendered, the only organisation which put in a bid was Engaging Potential.

4.5 **Equipment for SEN Pupils**

4.5.1 This budget funds large items of equipment such as specialist chairs and communication aids for stated pupils.

4.5.2 This budget was reduced to £20k in 2015/16. Equipment is now only purchased for children attending mainstream and resourced schools, and special schools are expected to fund these large items of equipment from their own budgets.

4.6 Therapy Services (Contract with Berkshire Healthcare Foundation Trust)

4.6.1 Therapy Services covers the costs for children with SEN who have speech and language therapy or occupational therapy in their Statements or EHC Plans. This budget moved to the HNB in 2015/16.

4.6.2 Therapy services are provided by the Authority solely to children who have the need for a service stipulated and quantified in their Statement or EHC Plan.

4.7 Elective Home Education Monitoring

4.7.1 Elective home education monitoring service consists of one part time teacher who monitors children who are electively home educated. There is a statutory duty to monitor arrangements for EHE made by parents.

4.8 Home Tuition

4.8.1 The Home Tuition Service is a statutory service providing home tuition to children with medical conditions and illness that prevent them accessing full-time school. It is currently commissioned by WBC from the Reintegration Service which provides all management.

4.9 Hospital Tuition

4.9.1 Hospital tuition is a recent addition to HNB funding. WBC is now obliged to pay the educational element of specialist hospital placements, usually for severe mental health issues. These placements are decided by NHS colleagues and we have little influence over the placement or duration of stay. We are negotiating with the settings to ensure we are only charged for the education a young person actually receives and would benefit from.

5. NON STATUTORY Services

5.1 **Table 5** details the non statutory service budgets for 2015/16, 2016/17 and estimates for 2017/18. The latest forecast is that in the majority of cases these budgets should be on-line. These services are non statutory so there is more potential scope to make savings, although a reduction in any of these budgets is likely to increase pressure on statutory budgets.

5.2 The table shows the budget for these services in 2017/18 assuming that these services continue and there are no changes to staffing levels. The only exception to this is the SEN Pre School Support budget which will need to increase in line with the entitlement to 30 hours early years education with effect from September 2017.

5.3 In addition there is a proposal that the cost of the Pre School Teacher Counsellor Service, at £85,000 is met from £45,000 in the Early Years Block and £40,000 in the HNB.

5.4 No budget is shown in 17-18 for independent travel training as it is understood that this funding was given as a one off for 2016-17 only.

TABLE 5 Non Statutory Services	2015/16 Budget		2016/17 Budget			2017/18
	Budget £	Outturn £	Budget £	Forecast £ (Month 9)	Over/ (under)	Estimate
Language and Literacy Centres LALs (90555)	134,600	134,600	116,200	116,200	0	116,200
Specialist Inclusion Support Service (90585)	70,000	70,000	70,000	70,000	0	70,000
PRU Outreach Service (90582)	117,000	117,000	117,000	117,000	0	117,000
SEN Pre School Children (90238)	50,210	55,888	50,210	44,210	-6,000	50,210
Cognition & Learning Team (90280)	291,270	283,010	272,440	272,440	0	275,280
ASD Advisory Service (90830)	135,490	133,035	139,720	137,720	-2,000	139,560
Vulnerable Children (90961)	60,000	58,836	60,000	60,000	0	60,000
Pre School Teacher Counselling Service			Met by EY block	N/A	N/A	40,000
Learning Independence for Travel (LIFT)			40,000	16,060	-23,940	0
TOTAL	858,570	852,369	865,570	833,630	-31,940	868,250

5.5 Language and Literacy Centres (LALs)

5.5.1 This budget funds the primary LALs at Theale and Winchcombe schools. The LALs provide intensive literacy support for primary children with severe specific literacy difficulties. 48 places per year are available across the two LALs.

5.5.2 Referrals for LAL places usually exceed places available by approximately 24 per year.

5.6 Specialist Inclusion Support Service

5.6.1 This service provides outreach support from West Berkshire's special schools to mainstream schools to support the inclusion of children with learning and complex needs in their local mainstream schools.

5.6.2 This budget was reduced by £36k in 2015/16 with the special schools providing the service absorbing the cost.

5.7 PRU Outreach

5.7.1 The PRU Outreach Service offers consultancy / outreach support mainly to students who have been attending the Reintegration Service and are starting to attend a mainstream school. Schools may request Outreach for any pupil causing concern but it is dependent on capacity.

5.8 SEN Pre School Children

5.8.1 This budget provides one to one support to enable children with SEN to access non maintained and voluntary pre- school settings.

5.9 Cognition and Learning Team

5.9.1 The Cognition and Learning Team (CALT) provides advice, support and training to mainstream schools to help them to meet the needs of children with SEN.

5.9.2 Many primary schools are reliant on this service to supplement their own SEN provision and expertise, especially schools where the Head has to act as SENCO or where there is an inexperienced SENCO.

5.10 **ASD Advisory Service**

5.10.1 The ASD Advisory Service provides advice, support and training for mainstream schools on meeting the needs of children with Autistic Spectrum Disorder. The purpose of the service is to enable children with ASD to be successfully included in mainstream schools wherever possible.

5.10.2 The context for this service is vastly increasing numbers of children with ASD diagnoses and mainstream schools having more and more difficulty meeting the needs of these children. The majority of our placements in non West Berkshire special schools, independent special schools and non maintained special schools are for children with ASD.

5.11 **Vulnerable Children**

5.11.1 The Vulnerable Children Fund is a small budget used to help schools support their most vulnerable pupils on an emergency, unpredicted or short term basis.

5.11.2 The Vulnerable Children Fund is a small budget used to help schools support their most vulnerable pupils on an emergency, unpredicted or short term basis.

5.11.3 The budget was reduced in 2015/16 from £80k to £60k. Impact: The criteria has been strengthened this year, with funding allocated for shorter periods and fewer extensions.

5.11.4 A survey monkey was sent out to all VCF recipients. There were 7 replies. All 7 reported that VCF was a significant support. 8 out of 11 pupils had no more exclusions. All pupils made both social and academic progress if they remained in school.

5.12 **Pre School Teacher Counselling Service**

5.12.1 The service comprises of 1.7 teachers who are specialists in early years and SEND. Children under 5 who are identified by Health professionals as having significant SEND are referred to this service. Staff initially visit children in their homes (if they are not yet in an early years setting) in order to promote their educational development and model strategies and resources for parents to use to support their child's progress.

5.12.2 PSTCs also assist with the transition to early years settings and schools, providing support and training for staff to help them to meet the child's needs, and continuing to visit for a period of time to provide ongoing support and advice.

5.12.3 PSTCs also help to coordinate support which the family is receiving from other professionals.

5.12.4 The service is currently supporting approximately 100 children.