

DISCUSSION PAPER - HIGH NEEDS BUDGET

Purpose of the Report

1. To discuss current position of the High Needs Budget, and note accompanying financial report. This will be presented at each meeting.

Background

2. The Schools Forum will be aware that the overall DSG is now split into three 'blocks' – Schools; Early Years and High Needs.
3. To assist in understanding this, we have compiled a High Needs Budget report. This is at Appendix 1, and extracted from the overarching budget report as presented by the Finance Manager.
4. Whilst the DSG budget is a finite amount, none of the blocks are ring-fenced, hence it is possible to 'move' money between the blocks. Historically in Darlington money has been moved between the blocks with no impact on the other budgets, in the current year the High Needs budget has been allocated more funding than the original EFA allocated block.
5. A summary of the current position is below.

Total High Needs block: **£13,116,445**

Budgeted expenditure: **£14,035,602**

6. The Forum will note that the High Needs budget is currently 'subsidised' by £919,157 from the schools block with no adverse impact on schools.

Breakdown of High Needs Budget

7. The High Needs budget funds special and alternative provision to the value of £5,672,621.

Special Provision	description	£
Marchbank	Places	180,000
	Top ups	216,000
BHA Pre-16	Places	2,110,000
	Top ups	1,730,042
BHA Post-16	Places	46,667
	Top ups	246,339
Sub Total		4,529,048
Alternative Provision	description	£
Homes & Hospitals		323,016
Rise Carr College	Top ups	320,000
	Places	500,557
Sub Total		1,143,573

8. The High Needs budget also funds borough wide provision for schools, including:
 - Beaumont Hill outreach - £70,000
 - Low Incidence Needs - Hurworth Primary School £196,000
 - Resource Bases – £570,000
Northwood Primary; Mount Pleasant Primary; Heathfield Primary.
Resource Bases - top ups £218,337
 - Social and Communication Outreach – Hurworth Academy £52,500
 - Behaviour and Attendance Partnership £250,000
 - Primary LAPPs £75,000
 - Out of Borough Placements - £750,000
 - Individual Learning Support and Resources - £720,000
9. The SEN and School Transport costs are supported from this budget and other services for the benefit of all schools, e.g. Traveller Education.
10. A contingency of £233,000 relates to the allocation of additional monies from the EFA after the point at which the budget was agreed by the Schools Forum in January 2014. This budget was set aside for any increase in places. So far the contingency has been used to adjust high needs budgets for, an error in budget setting for Marchbank and the difference in amount recouped by the EFA for Beaumont Hill Academy.

Areas for Consideration

11. Over the last few years more expenditure has been made against high needs as more places have been commissioned at special units and with an increase in individually assigned top ups within mainstream schools.
12. This increase in spend has been managed within the overall budget with no adverse effect on school budgets, however if expenditure continues to increase, this may change in the future years.
13. Although £233,000 of additional funding was allocated by the EFA to Darlington in 2015/16, this is not guaranteed for future years so could add additional pressures.
14. Services to schools do need close monitoring and review and it cannot be assumed on a year-on-year position that the budgets or delivery of services will remain the same.

Recommendation

15. It is recommended that:-
 - Forum note the high needs budget position and this will be reported at each meeting along with progress updates from services review and monitoring.

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