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|  | **Education and Skills** |  |
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**SCHOOLS’ FORUM**

**23 February 2016**

**Setting the High Needs Block for 2016/17**

**1. Purpose of the Report**

To agree the detailed allocation of the High Needs Block within the DSG for 2016/17.

**2. Recommendations**

 It is recommended that the Schools Forum agree to the specific recommendations set out below.

**3. Background**

**Schools and Early Years Block**

At its meeting on 14 January 2016, the Schools Forum was informed of the final allocation from the DfE of the Schools and Early Years Blocks for 2016/17 and it agreed:

* The centrally retained budgets within the Schools Block;
* The formula values and the capping limit for school budget shares; and
* The funding rates for the Early Years formula

The DfE approved the proposals, and school budget shares have now been published for all schools and academies.

£5,802 was over-allocated within the Schools Block due to a late rating adjustment received after the meeting on 14 January 2016. It is proposed that this is vired to the High Needs block.

Early Years budget shares for schools and PVI’s will be calculated once the January 2016 census data has been finalised. Budget shares will be issued prior to 31 March 2016.

**High Needs Block**

In the current financial year, 2015/16, the forecasted outturn for the High Need Block is £743k more than the funding available.



If the High Needs Block continues to spend more than the grant allocated, the local authority may have to move additional resources from the Schools Block or Early Years Block. This would reduce the funding allocated to mainstream schools through the Schools funding formula.

At its meeting on 14 January 2016, the Forum agreed to set the total for 2016/17 High Needs Block, after allowing for agreed virements to and from the Schools block, at the provisional figure of £30,060,378, subject to any subsequent adjustments from the EFA. We have now been informed of deductions in respect of High Needs places directly funded by the EFA totalling £2,666,000.

The proposed budget allocations have been set using the latest information available. Following a review of the pressure on specialist places it is proposed to increase the number of pre -16 places in Special schools by 27, which, at a cost of £270,000, is the preferred option rather than placing children in more expensive out of county places.

The proposed allocation of the £27,388,576 (£30,060,378 less £2,666,000 and £5082 vired from the Schools Block) across the various budget heads is shown below.



The current budget proposals for 2016/17 are £744,434 above the High Needs block allocation available. These proposals need to be considered in conjunction with the SEND Self-Evaluation Report and the SEND Strategic Statement.

**The Schools Forum is recommended to agree these provisional budget allocations** **and that any underspend carried forward be utilised to** **fund the shortfall.**