

ANALYSIS OF DSG HIGH NEEDS BLOCK 2016/17 TO 2021/22

	2016/17 Actual	2017/18 Actual	2018/19 Original Estimate	2018/19 Projection	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	Comments
	£000	£000	£000	£000	£000	£000	£000	
<u>DSG Funding On High Needs</u>								
High Needs Block baseline	57,919	60,746	66,838	66,965	71,175	73,488	76,591	18/19 updated for final allocations issued by ESFA July 2018. 2019/20 based on indicative allocations issued at the same time adjusted for anticipated growth in pupils and transfer of special free school place funding. Future years are a risk due to comprehensive spending review.
Growth funding and other adjustments	882	1,903	0	0	0	0	0	Growth funding is in the base calculation from 2019/20 onwards.
Places funded directly by the ESFA	(3,704)	(7,451)	(9,038)	(8,932)	(10,381)	(10,590)	(10,654)	Phased increase in SEMH places, increase in deductions for AP free schools and significant increase in post 16 places. Now includes special free school place deductions (offsets increase above).
Funding transferred from Schools Block	0	2,000	2,000	2,000	0	0	0	Assumes £2m transfer from Schools is non-recurrent.
Funding transferred from Central School Services Block			500	500				Assumes £500k transfer from CSSB is non-recurrent.
Total High Needs Block grant	55,097	57,198	60,300	60,533	60,794	62,898	65,937	
<u>Funding Passported To Institutions</u>								
SILC and Resourced Provision Places	10,474	10,236	10,169	10,265	10,766	11,356	11,977	Based on additional 80 places in October 18 census compared to October 17 census, plus an additional 50 places from 1st September 2019, 2020 and 2021. These projections could change depending on a decision over what settings these places will be in. As per the NFF funding model, basic entitlement funding for pupils in resourced provision will be funded from the schools block. Costs have therefore been reduced correspondingly.
Deficit SILC balances	729	0	0	1,730	0	0	0	Deficit expected in 2018/19.
Outside placements and external residential placements	7,195	7,668	6,283	6,833	6,368	6,178	6,388	Outside placements based on projected number of placements each year while external residential placements is based on education costs of specialist education and residential placements.
Alternative Provision and AIP's	6,012	4,941	5,256	5,006	5,256	5,256	5,256	No further funding reductions currently projected.
SEN Top-ups to Institutions	26,681	29,175	30,666	32,250	33,786	34,921	36,064	Based on forecast population growth and increase in number of pupils identified with SEND, plus increase in pupils at SEMH provision. Also includes top up on an additional places as identified above.
Mainstream additional places (£6k blocks)	2,316	930	424	506	528	550	572	Additional £6k blocks - based on 2018/19 costs.
Education provision for mental health beds		196	200	100	200	200	200	Costs dependent on young people places in private hospitals. At the moment, it is assumed that the 2018/19 underspend will not continue.
Total Passported To Institutions	53,407	53,146	52,998	56,690	56,904	58,461	60,457	
<u>Commissioned Services managed on behalf of LCC</u>								
Hospital & Home Tuition	1,278	1,276	1,484	1,489	1,504	1,519	1,534	This funding is largely a specific element within the calculation of the DSG income due. The projected costs match the income allocated.
PD & Medical Service	94	94	65	96	96	98	100	Original contract is still in place.
Total Commissioned Services	1,372	1,370	1,549	1,585	1,600	1,617	1,634	
<u>Directly Managed By Children & Families</u>								
Autism support	393	347	413	413	423	433	443	Increase for pay award (at 2%) and superannuation increase.

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Children missing out on education	263	233	257	257	261	265	269	Increase for pay award (at 2%) and superannuation increase.
Management of AP	105	105	110	110	112	114	116	Increase for pay award (at 2%) and superannuation increase.
SEN adaptations	149	154	141	141	141	141	141	No change to budget.
SEN Inclusion Team	770	1,054	1,206	1,106	1,232	1,258	1,284	Increase for pay award (at 2%) and superannuation increase.
Sensory Service	2,343	2,275	2,177	2,036	2,223	2,269	2,315	Increase for pay award (at 2%) and superannuation increase.
Teenage pregnancy	219	231	0	0	0	0	0	Removed from DSG funding.
Virtual school (Children Looked After)	110	103	108	109	110	112	114	Increase for pay award (at 2%) and superannuation increase.
Total Directly Managed by Children & Families	4,352	4,502	4,412	4,172	4,502	4,592	4,682	
<u>Other Costs</u>								
SEMH set up costs	718	550	395	395	0	0	0	Payments to SEMH provision for set up costs.
SEMH prudential borrowing costs	0	0	0	0	558	558	558	Prudential borrowing costs for building of new SEMH provision from 2019/20.
Contribution to reserves	0	0	946	0	1,000	1,000	1,000	Contribution to reduce deficit reserve.
Total Other Costs	718	550	1,341	395	1,558	1,558	1,558	
Total High Needs Block Expenditure	59,849	59,568	60,300	62,842	64,564	66,228	68,331	
In Year Shortfall (Surplus)	4,752	2,370	0	2,309	3,770	3,330	2,394	
Cumulative DSG Deficit	4,161	3,379	3,633	5,688	6,278	8,608	10,002	
<u>Options to reduce deficit</u>								
- transfer from schools block					(2,500)	(2,000)		Further consultation would be required for a transfer in 2019/20.
- transfer from central school services block					(500)	0		Fall out of equal pay borrowing costs.
- other savings / increased funding to be identified					(770)	(1,330)	(2,394)	Savings or increased funding to be identified to balance budget.
Total potential savings					(3,770)	(3,330)	(2,394)	
Revised In Year Shortfall (Surplus)	4,752	2,370	0	2,309	0	0	0	
Estimated underspend elsewhere in DSG				(2,180)				
Revised DSG deficit if all options fully implemented	4,161	3,379	3,633	3,508	2,508	1,508	508	
Note:- estimated impact of 3% cap on grant gains			7,096		5,142	3,234	2,933	