

Changes in responsibilities

B.1 Additional Hours for 3 and 4 year olds

From September 2017 working parents are entitled to up to 30 hours per week of 3 and 4 year olds provision. This is an increase from the current universal entitlement of 15 hours per week. This cost shown is the full year effect of funding this entitlement, relating to the Summer Term.

Extra funding will be added to the Authority's DSG to reflect the full year effect of the cost of extending this provision.

B.2 Funding for pupils in special units

The DfE is changing the arrangements for funding special units. In 2018-19. Pupils occupying special unit places will attract AWPU and other pupil led funding through the schools block budget shares. Correspondingly, high needs funding for occupied special unit places will reduce from £10k to £6k per place. As a consequence there is a transfer of cost from the high needs to the schools block budget which will be matched by a transfer of resource from the high needs to the schools DSG block.

B.3 Funding for post 16 social care costs

Funding for young people (16-19) care, costs to be transferred to social care.

B.4 Lead Adviser to the Virtual School

It is proposed to transfer this budget to the County Council budget.

B.5 Education of Children in Residential Care

It is proposed to transfer this budget to the County Council budget.

Budget Pressures

B.6 Inflation on Pay and Prices

This reflects the impact of the following:

- estimated 2% increase in teachers' pay;
- estimated 1.7% increase in local government pay;
- non pay inflation of 2% but with specific inflation increases for utilities.

B.7 National Living Wage (NLW)

The pay award for 2018-19 has not been set. An illustrative figure is shown for the impact of the national living wage.

B.8 Demography

This constitutes the impact of increases in pupil numbers (excluding growth in free school numbers) on AWPU and other pupil led funding in the schools and

early years budget shares. The pupil numbers used in the calculation will be updated when the autumn term 2017 census data is available.

- B.9 Additional special school places**
This allows for an additional 56 places making a total of 2,302 funded places in special schools from September 2018.
- B10 Additional top ups in special schools**
An increase in funding in the top-up budget for additional placements, above the funded number.
- B11 Full year effect of 2017/18 increase in special school places**
The full year effect of the increases in special school places, made in September 2017.
- B.12 Additional high needs college places**
This provides for an additional net 24 places from August 2018.
- B.13 Top ups for high needs provision in colleges**
An increase in the top up budget for current budget pressures as a result of increased complexity of need.
- B.14 Full year effect of increase in high needs places in colleges**
This is the full year effect of the increase in place numbers from September 2017.
- B.15 Rates**
Increases in rates costs from inflation and revaluations
- B.16 Growth in existing free schools**
The DSG will not take account of the additional cohort starting in free schools in September 2018. The Authority will, however, have to fund this cohort and this constitutes a budget pressure. The amount includes the additional cohort at the free school which has opened during 2017-18.
- B.17 New free school opening in 2017-18**
One new free school has opened in September 2017. This pressure constitutes the lump sum allocation for this school.
- B.18 New free school opening in 2018-19**
This pressure comprises the estimated part year budget share of the free school scheduled to open in 2018-19.
- B.19 Minimum Funding Guarantee (MFG)**
There is estimated to be an increase of £0.4m in the amount of MFG protection, mainly due to MFG protection recouped from the Authority in respect of Samuel Ryder academy.

B.20 Licenses

It is anticipated that there will be a small increase in the cost of licenses for schools charged by the DfE.

B.21 Prior Year adjustments

There are two elements to this pressure:

- reversing out the one off retrospective clawbacks made in 2017-18 for over estimates of pupil numbers at recently opened free schools: £387k;
- providing for the 2017-18 funding of the new free school which has opened in September 2017. This will be recouped retrospectively by the DfE in 2018-19: £440k.

B.22 Independent Placements

There are several components to this pressure:

- an increase in education placements: £960k;
- an increase in the contribution to social care from DSG - this relates to placements of children with EHCPs whose needs could be met from in-county provision were it not for the social placement requirements. The number of these placements has increased to 70 whereas the contribution to social care has been calculated on a historic figure of 20 placements. The estimated average top up has also increased from £10k to £12k giving a total increase of £640k;
- an increase in the contribution to social care so that it includes the place funding of £10k (as well as top up funding) for the 70 placements: £700k.

B.23 SEND Support Services

This funding was agreed in 2017-18 from the Strategy Development Fund and is now to be incorporated in the support services budget.

B.24 Full year effect of top ups for high needs provision in colleges

The full year effect of last year's budget pressure relating to an increase in the number and complexity of high needs students in colleges and independent specialist providers.

B.25 Full year effect of increase for primary behaviour

The full year effect of the additional resource for primary behaviour which was provided for in the 2017-18 budget. This resource will only be committed when agreements are in place, whereby local areas assume the responsibility for providing behaviour support and alternative provision.

B.26 Full year effect of increase for secondary behaviour

The full year effect of the additional resource for primary behaviour which was provided for in the 2017-18 budget. This resource will only be committed when agreements are in place, whereby local areas assume the responsibility for providing behaviour support and alternative provision.

8. Savings

B.27 Rates

There is a saving in rates funding in budget shares due to the conversion of schools from community to academy status.

B.28 Early Years Pupil Premium

This saving reflects the slight reduction in the number of children eligible for the early years' pupil premium.

B.29 Closing schools

The Da Vinci schools in Stevenage and Letchworth closed in August 2017. The saving comprises the lump sum element of their budget shares for the period April to August.

B.30 Split Site

Hertswood has moved to one site and thus there is a saving on its split site allocation

B.31 Looked after children (LAC) funding in budget shares

It is proposed to reduce the LAC funding in budget shares by £400 per eligible pupil to reflect the increase in Pupil Premium funding for looked after children in 2018-19. The DfE has switched resource for LAC from DSG to the Pupil Premium.

B.32 Dual Use

As part of its site moves, Hertswood has ceased to operate its dual use sports hall.

B.33 Closure of Barnwell VI unit

This unit has closed in August 2017. The saving shown is net of transitional funding for remaining pupils.

B.34 Capital expenditure on increasing capacity in special schools

The DfE has announced a new capital grant for high needs, to run for three years from 2018-19. Hertfordshire's allocation is approximately £2m per year. It is therefore intended to take the current revenue budget supporting high needs capital as a saving.

B.35 PNI designated schools

The separate funding allocation paid to PNI designated schools has been discontinued from September 2017.

B.36 Boarding Pathfinder

Currently free places have been negotiated and this budget is only required to provide additional support costs. It is therefore underspending and it is proposed to take a saving.

B.37 Schools Forum

The element of this budget relating to travel costs is underspending and it is proposed to take a saving.

B.38 Saving to be identified

It is necessary to make a further saving in the central services block.