

Schools Forum 3 October 2006

Report of the Director of Children's Services

Pooled Budgets – Health Act 1999 Section 31

Purpose of Report

1. To seek the approval of Schools Forum regarding the application of the Independent and Voluntary sector pupil placements budget of £511,800 in line with pooling arrangements covered by the Health Act 1999, Section 31.

Budget Working Group Discussed

2. No

Actions for Schools Forum

3. To make a formal recommendation to the Director of Children's Services.

Attachments to Report

4. Appendix A.

Schools Forum 3 October 2006

Report of the Director of Children's Services

Pooled Budgets – Health Act 1999 Section 31

Purpose of Report

1. To seek the approval of Schools Forum regarding the application of the Independent and Voluntary sector pupil placements budget of £511,800 in line with pooling arrangements covered by the Health Act 1999, Section 31.

Background

2. A three-year partnership agreement was signed in April 2003 between Dudley Primary Care Trusts and Borough Council for the purpose of creating a pooled budget. The current annual pooled budget is £1.4m with contributions of 15%:85% being PCT:Council. The Council contribution of the 85% is funded in two parts: Social Care budget of £696,630 and Dedicated Schools Grant -Independent and Voluntary sector pupil placements budget of £511,800.
3. The agreement relates to services commissioned specifically for children under 19 years of age who have severe disabilities, meeting the criteria of the Children's Disability Team and who require a placement to meet those needs outside of Dudley Borough or within the Borough from a Voluntary or Independent sector provider.
4. The objective of the Partnership Agreement is to improve the Services for users through closer working between the National Health Service and Local Government, which is pursuant to the obligations for the partners to co-operate with each other in providing the Services.
5. The three-year agreement is now due for renewal and an extension of the original agreement is proposed for a further period of five years, which will cover the period April 2006 to March 2011.
6. Given that the 2006/07 Independent and Voluntary sector pupil placements budget of £511,800 is funded by the DSG (Dedicated Schools Grant) and the agreement would tie DSG funds for five years, then School's Forum must approve such a proposal if they are in support of the agreement.
7. A copy of the proposed five year agreement is attached at Appendix A.

Finance

8. From 1st April 2006, the Schools Budget is funded by a direct DfES grant: Dedicated School Grant (DSG). Schools Forum has financial responsibility for the Schools Budget.
9. Within the overall Schools Budget of £174m for 2006/07 is a budget of £1,809,436 earmarked for Independent and Voluntary sector pupil placements. Of this, £511,800 has been set aside as the 36% DSG contribution to the pooled budget for children with disabilities. The remaining budget of £1,297,636 has been set aside to fund the cost of placing those children in the Independent and Voluntary sector who do not meet the criteria applied to the pooled budget and cannot be accommodated within Dudley schools due to a range of other needs.
10. The value of the DSG allocation for 2007/08 and future years is dependant upon the number of pupils within the Dudley Borough at the date of the January count preceding the start of the new financial year. Therefore the DSG allocation from the DfES will not be known until each financial year has almost commenced. This does make long term planning more difficult.
11. The Partnership Agreement makes provision for any under-spending or overspending at the year-end to be shared in the same proportions at the original budgets used for the creation of the partnership. Thus if the cost at the end of a financial year was in excess of the £1.4m, then the Schools Budget would be expected to fund 36% of that excess.
12. The Partnership Agreement makes provision for stakeholders budget to increase annually by inflation.

Law

13. Councils' LMS Schemes are made under Section 48 of the School Standards and Framework Act 1998. The Education Acts 1996 and 2002 also have provisions relating to school funding.

Equality Impact

14. The Council's Equal Opportunities Policy is taken into account when considering the allocation of resources.

Recommendation

15. Schools Forum note the report in respect of the proposed extension to the pooled budget partnership for children with disabilities, made under the Health Act 1999, Section 31, and advise the Director as to whether the Forum give their approval to the five year agreement covering the period 2006-2011.



John Freeman

Director of Children's Services

Contact Officer:

Karen Cocker, Children's Services Finance Manager

Karen.cocker@dudley.gov.uk Tel: 01384 815382