

Report to: Schools Forum

Date: 10th March 2022

Report of: Julie Beattie (Finance Manager) & Pauline Maddison (AD SEND & Inclusion)

Title: Proposed High Needs Block 2022-23

Status: For consultation

Purpose

Local authorities make decisions about the delegation of funds to schools, which for primary and secondary schools is on the basis of a local formula, and on the spending of funds held centrally, most of which is used for making high needs provision, in consultation with their Schools Forums.

Therefore, it is important to note that this paper is for consultation. The use of the High Needs Block is ultimately a matter for the Local Authority although, of course, in practice spend is best utilised when it is collaboration with other stakeholders.

It should also be acknowledged that institutions receive high needs funding in different ways and the High Needs Block covers a wide variety of institutions:

- core funding: the annual allocation an institution receives either directly from the provider local authority (for maintained schools and PRUs, based on the financial year), or from ESFA (for academies, free schools, colleges, independent learning providers (ILPs), non-maintained special schools and special post-16 institutions, based on the academic year)
- top-up funding: the funding required, over and above the core funding, to enable a pupil or student with high needs to participate in education and training (in a variety of institutions)
- funding under a service level agreement: where a service relating to SEND or AP has been commissioned by a local authority and is delivered by an institution, the local authority can pay for that service from its high needs budget

Proposal

The 2022/23 High Needs allocation is £234.7m before recoupment and £201.9m after recoupment. This is an increase of £21.8m gross or £17.4m net

In addition, supplementary funding amounting to £8.7m has been provided in 2022/23. This funding recognises the additional costs that local authorities and schools will face in the coming year, which were not foreseen when the original high needs block allocations were calculated, including the Health and Social Care Levy, that will be applied initially through increased national insurance contributions from employers

Total additional funding available in 2022/23 £26.1m after recoupment

	21/22 HN Block Allocation as at Dec 20 £	22/23 HN Block Allocation as at Dec 21 £	Variance £	22/23 Supplementary HN Funding as at Dec 21 £	Total HN Block Allocation 22/23 £	Variance £
Gross BCC HN Block Allocation (before recoupment)	212,914,811	234,722,534	21,807,723	8,730,410	243,452,944	30,538,133
Less recoupment paid directly by DfE	28,414,149	32,822,739	4,408,590	TBC	32,822,739	4,408,590
Net BCC HN Block Allocation (after recoupment)	<u>184,500,662</u>	<u>201,899,795</u>	<u>17,399,133</u>	<u>8,730,410</u>	<u>210,630,205</u>	<u>26,129,543</u>

A summary of the way the Local Authority proposes to utilise the increase in funding it has received in 2022/23 is contained in Annex 1 to this report.

Commentary

Some of the spending categories may require further clarification and as such explanations are provided below:

- Additional places
 - 58 in LA maintained special schools agreed at commissioning meetings
 - 46 agreed with special academies at commissioning meetings
 - 95 special school places agreed after commission meetings (meet secondary cohort)
 - 100 additional at special schools from September
 - 50 proposed resource base places from April
 - The increases we are proposing is not nearly enough to cover the demand but is all we are able to commit to in 2022/23
- Top Up - Specials
 - Further to the discussion at the Technical Group the LA now proposes a 6% increase to banding rates at special schools. This is broadly equivalent to Mainstream schools, which have received a general 3% inflationary increase. This increase recognises the fact that special schools are part funded, usually approximately 50%, via the fixed £10k per place
 - Increase to meet additional ESN demand (which is addresses an error in the 21/22 budget which was set too high)

- **Top Up - Mainstream**
 - Historically top up funding through CRISP has been a disjointed system
 - Support units will bring funding nearer to the amounts the support provided costs
 - All new placements are automatically placed on support units funding
 - Resource Bases are currently all still on CRISP and the additional funding proposed recognises the desire to move them to support units in line with mainstream schools from September
 - Removal of the MFPP

- **Inflationary Increases**
 - The DfE have increased funding for hospital provision by 8% which needs to be passported
 - A 5% increase on those BCC internal services that are funded by the High Needs Block, recognising that these services have not received any inflationary increases for some time

- **Contingency**
 - Potential need for more places and support for children with more complex needs
 - Initiatives to support the accelerated progress plan
 - Addressing the national review of SEND
 - Consultancy which may be required for specific project work

Scrutiny

The High Needs Block Technical Group met on 17 February where initial proposals were discussed. All comments raised have been considered and the proposals contained within this report have been amended accordingly.

The layout in Annex 1 demonstrates that the vast majority of the increased resources received by the Local Authority for High Needs for 2022/23 is directed to delegated budgets, with the majority of project funding also finding its way to front line institutions (e.g. SALT support in special schools).

Conclusions

Forum members are asked to consider and comment on the 2022/23 budget proposals for the use of the increased resources received for the high needs block.

Annex 1

Summary of proposed use of increased funding		
	£m	£m
NET INCREASE IN FUNDING FOR 22/23	26.1	
SENAR Team - unable to be funded from HNB	1.1	
Fall out of one off support for schools in financial difficulty	3.0	
TOTAL ADDITIONAL FUNDING AVAILABLE IN 22/23		30.2
PLACES		
Increased places at Special Schools	2.9	
Futher increase to Special Schools Places - 100 extra from Sept	1.0	
Increase the number of resource bases - approx 50	1.0	
£100 per place increase to cover additonal NI costs	0.6	
		5.4
TOP UP		
6% Increase to Special Schools banding rates	2.1	
Move all resource bases to new funding mechanism from Sept 22	0.9	
Removal of MFPP for resource bases from April 22	0.9	
Move all mainstreams schools to support units from CRISP	12.4	
		16.2
INFLATIONARY INCREASES		
8% Uplift to hospital provision	0.9	
5 % inflationary increase on internal services funded by HNB	0.5	
		1.4
OTHER		
Speech & Language Therapy - joint commissioned contract with CCG	2.2	
Increase in Inclusion Support in Early Years (ISEY)	0.5	
Autism support - increased training & teaching support to schools and families	0.6	
Occupational Therapy - Special Schools	0.2	
EWS /Attendance - support to address pupils who are not attending school through anxiety and/or behaviour	0.5	
Educational Pschyology (non statutory)	0.3	
Medical & Manual Handling - coordination of training for schools	0.1	
Equipment - physical disabilities (£30k)	0.0	
Social Emotional Mental Health - support to reduce exclusions	0.4	
		4.8
CONTINGENCY		
		2.4
TOTAL ADDITIONAL FUNDING PROPOSED		30.2