



# Report to Schools Forum

**Date:** 18<sup>th</sup> January 2022

**Title:** School Budget Proposals 2022-23 – Section C: High Needs Block

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## **Recommendations:**

**To agree the budget for the High Needs Block in 2022-23 as detailed in Appendix 7.**

## 1. High Needs Block

- 1.1. The allocation for the High Needs Block in 2022-23 is £107.716m, an increase of £8.6m compared to the current year. There is a further allocation of supplementary grant. The purpose of this grant is to recognise 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. The additional funding also takes into account that colleges and other providers offering extra hours of study to students with high needs may require extra high needs top-up funding to support those students. The indicative allocation for Buckinghamshire is £4.1 million and it is expected that in future years this will be absorbed within the main high needs block. The total increase in high needs funding is therefore £12.7 million.

	<b>Total Allocation before deductions for Places funded by ESFA £'000</b>	<b>Additional Grant £'000</b>	<b>Total Funding £'000</b>
High Needs Block allocation 2022-23 (December Allocation)	<b>107,716</b>	<b>4,136</b>	<b>111,852</b>
Indicative allocation	107,258	0	107,258
<b>Change from indicative allocation</b>	<b>457</b>	<b>4,136</b>	<b>4,593</b>
<i>For info:</i>			
2021-22 Allocation	99,115	0	99,115
Change from 2021-22	8,600	4,136	<b>12,736</b>

1.2. The forecast for high needs expenditure in 2021-22 reported to Schools Forum in December indicates that the high needs budget could be exceeded by up to £4m in the current year. Further work is taking place to review the forecast and pupil data for post-16 students being supported in independent specialist college placements before the forecast can be finalised.

1.3. Appendix 7 to this report outlines the current forecast for the high needs block and the initial proposals for budget allocation. The following principles have been applied to the main high needs block funding allocation:

- a) Growth in the high needs block is significant and should be used where possible to support actions to address the high needs deficit as well as to meet increases in demand.
- b) Reflect full year effect of September 2021 demand – the main demand led budgets have been increased to reflect this year's outturn position
- c) Estimated growth from September – for Post-16 and top ups for pupils in mainstream schools an initial estimate of demand from September 2022 has been included. Initial analysis of the independent special school budget indicates that due to the number of scheduled leavers in July a further increase to this budget may not be required however an estimate may need to be included to reflect joint funded placements.
- d) Known cost pressures for 2022-23 including additional places at Aspire for SEMH provision and an increased cost pressure against the Integrated Therapies contract for additional speech and language therapists.
- e) The proposal for the creation of 3 Area Inclusion Officers has been included with a start date of September 2022.

1.4. These proposals total £6.964m which leaves £1.637m unallocated at this stage.

1.5. For the supplementary grant initial proposals are:

- a) Increase special school, ARP, PRU and EHCP top up payments by 3% to match the increase for mainstream schools in the NFF;
- b) Apply a further 1% increase to special schools and PRU budgets for the Health and Social Care levy (already covered in mainstream provision)
- c) 3% increase to post-16 and independent special school provision – 1% for the Health and Social Care levy and 2% for additional support hours, as per the supplementary grant guidance.
- d) Payments for pupils without EHCPs to increase for 1% reflecting the Health and Social Care levy.

1.6. The proposals outlined above total £2.397m of the available supplementary grant leaving £1.739m unallocated.

1.7. There is a total unallocated funding of £3.376m within the high needs block at this stage. It is proposed that this is held to provide a contingency against additional growth in the year, or to offset the deficit, and also to support proposals coming forward as part of the DSG Management Plan that will generate savings in future years.

1.8. The DfE has indicated that increases in the high needs block will be lower in future years than has been experienced in 2021-22 and 2022-23 and therefore it is critical that savings can be generated in future years.

