



Schools Forum
1 March 2022

**Report from the Strategic Director
of Children and Young People**

High Needs Block Budget 2022/23

Wards Affected:	All
Key or Non-Key Decision:	N/A
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	N/A
No. of Appendices:	Two – Appendix 1 - DSG High Needs Block Budget Allocations 2022-23. Appendix 2 - Brent Proposed Bandings 2022-23.
Background Papers:	N/A
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1. Purpose of the Report

- 1.1. This report informs Schools Forum of the detailed High Needs Block (HNB) budget for adoption in 2022/23.

2. Recommendations

- 2.1. That Schools Forum notes the report.

3. Summary

- 3.1. The HNB budget for 2022/23 is set to balance to available resources including the £1.2m Schools Block transfer and a HNB top up funding of £2.9m allocated to Brent, following the 2021 Spending Review. The total budget is £76.0m.

4. High Needs Block funding

- 4.1. The HNB funding has been confirmed at £71.9m for 2022/23. This is £5.5m more than that received in 2021/22, and represents an 8% increase.
- 4.2. Following the 2021 Spending Review, the government announced that it will provide an additional £325m in 2022/23 for Special schools and other providers funded from the HNB, through a top up to the HNB of the DSG to support wider cost pressures as well as cost pressures in respect of the 1.25% Health and Social Care Levy (Increased National Insurance Contributions) effective from 2022/23. Brent is estimated to receive £2.9m of this additional funding. This will bring the overall DSG funding allocation to £74.8m and represents an overall increase of 13% compared to 2021/22.
- 4.3. In addition, the Schools Forum has approved a Schools Block transfer of 0.5% totalling £1.2m. This brings the total funding for the HNB in 2022/23 to £76.0m.
- 4.4. £7.7m of the total HNB funding will be recouped by the DfE to be paid directly to Academies for their base funding, leaving a balance of £68.3m.

5. Changes to the 2022/23 High Needs Block budget

- 5.1. The Schools Forum sub group for High Needs met on 21 January 2022 to discuss the HNB budget, and the final detailed budget is provided in Appendix 1.
- 5.2. Where the number of places within special provisions has increased, the place funding and top up funding budgets have been changed accordingly. This can be seen in Appendix 1.
- 5.3. The budget assumes that the top up banding rates will remain the same for the mainstream schools, Pupil Referral Units (PRUs), Additionally Resourced Provisions (ARPs) and Special schools. These rates can be seen in Appendix 2.
- 5.4. There are increases to the budgets for special schools both in and out of the borough, and for mainstream pupils in out of borough settings. These budget increases reflect the rise in demand and the spending patterns of previous years. In total £2.8m of the increased HNB funding has been allocated in response to the demand against these lines.
- 5.5. An allocation of £0.2m has been included in respect of the Health and Social Care Levy in Special Schools and Alternative Provisions following the DfE's published additional High Needs funding allocations. Those schools are required to discuss with their local authority any increases as part of the top-up funding paid from local authorities' high needs budgets. The funding methodology will be agreed in discussions with the Special Schools and

Alternative Provision Headteachers and conveyed at the next Schools Forum in June 2022.

- 5.6. The HNB budget includes funding allocation of £0.3m for the two new ARPS, Carlton Vale and Kilburn Park, which commenced in September 2021 and an allocation of £0.2m for the Sunshine ARP based at Willow Family Wellbeing Centre.
- 5.7. The recoupment budget is an income budget which offsets expenditure on pupils from other boroughs. This budget line has been increased by £60k to a total of £1.2m to include administration charges. This will ensure that the costs recouped reflect the actual costs of funding and administration.
- 5.8. The budget for funding independent day special schools has increased by £1.4m to £7.9m and there is a minor uplift of £0.1m to the budget for funding independent residential settings based on current projections.
- 5.9. The budget for post 16 provision has increased by £0.4m to a total of £4.3m. This is in line with the projected outturn for 2021/22. The council will continue to robustly challenge the 'Element 2' charges, of £6k per pupil from further education providers following ESFA's clarification that these costs should not be passed onto the student's home local authority. This should result in a lower average cost for post-16 provision.
- 5.10. The SEN Services budget has been increased in line with current forecasts by £0.7m to £7.3m in 2022/23. This also factors in demand and inflationary increases to contracts such as the Speech and Language contract.

6. Risks and Challenges

- 6.1. The main risk against this budget remains the rising number of children and young people with Education, Health and Care Plans (EHCP) and as at the end of January 2022, there were 2,895 children and young people with an EHCP compared to January 2021 where the number was 2,784 representing a 4% increase in Brent.
- 6.2. There remains the risk of rising inflation prices for SEND provision in out of borough and independent settings where provisions are also seeking over inflationary prices to deal with pressures. However this can be partly mitigated by effective commissioning arrangements.
- 6.3. The available resources have been allocated within the constraints of the funding for the provision of SEND. The budget aims to achieve an in-year balance between expenditure and income, and does not reduce the forecast deficit that will be brought forward from 2021/22. However another item on this

Schools Forum agenda i.e. the “DSG HNB Deficit Management Plan” identifies the actions in place to recover part of the deficit over a number of years.

7. Financial Implications

7.1. The financial implications have been detailed in the body of this paper.

8. Legal Implications

8.1. There are no legal implications for this report.

9. Equality Implications

9.1. The key groups affected by the proposals are children and young people with special educational needs and disability (SEND) aged 0-25 in Brent. The Council is committed to inclusive education for all children and young people with SEND in our mainstream schools, enhanced resource schools and special schools.

9.2. The budget supports the needs of children and young people with SEND to be met through evidence based interventions and aims to reduce reliance on high cost placements in the non-maintained and independent sector, by ensuring that children with SEND can get a good education at a school close to their home.

9.3. The proposals in this report have been subject to screening and there are no equality implications.

10. Consultation with Ward Members and Stakeholders

10.1. Not applicable.

11. Human Resources/Property Implications (if appropriate)

11.1. Not applicable.

Related Documents – Prior Finance Reports to Schools Forum

Report sign off:

Gail Tolley

Strategic Director of Children and Young People