



Schools Forum
21 February 2023

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

High Needs Block Budget 2023/24

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 A – High Needs Block Budget 2023/24 Appendix B – Brent Proposed Banding 2023/24
Background Papers:	None.
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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 2023/24.

2. Recommendations

- 2.1. That Schools Forum notes the report.

3. Summary

- 3.1. The HNB budget for 2023/24 is set to balance to available resources including the £1.2m Schools Block transfer and a HNB top up funding of £3.5m allocated to Brent, following the Autumn statement 2022. The total budget is £83.5m.

4. High Needs Block funding

- 4.1. The HNB funding has been confirmed at £78.7m for 2023/24. This is £3.9m more than that received in 2022/23 and represents a 5.3% increase.
- 4.2. Following the Autumn statement 2022, the government announced that it will provide an additional £400m in 2023/24 for Special schools and other providers funded from the HNB, through a top up to the HNB of the DSG to support cost pressures effective from 2023/24. Brent is estimated to receive £3.5m of this additional funding. This will bring the overall DSG funding allocation to £82.2m and represents an overall increase of 10% compared to 2022/23.
- 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 2023/24 to £83.5m.
- 4.4. £8.6m 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 £74.9m.

5. Changes to the 2023/24 High Needs Block budget

- 5.1. The Schools Forum sub group for High Needs met on 08 February 2023 to discuss the HNB budget. 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 mainstream schools, Pupil Referral Units (PRUs), Additionally Resourced Provisions (ARPs) and Special Schools. These rates are set out in Appendix 2.
- 5.4. As the teachers' pay and pensions grant for Special Schools and PRUs has now been rolled into the High Needs funding that the LA receives, a £0.631m budget allocation has been set aside to continue to pass this grant on to these settings, at the same rate provided by the DfE at £660 per pupil.
- 5.5. In line with the DfE's requirement to pass on 3.4% of the additional High Needs Block funding to Special Schools and PRUs, £1.1m has been set aside to account for this cost.
- 5.6. There are increases in top-up funding for Special Schools both in and out of the borough, and for mainstream pupils in out-of-borough settings. These budget increases reflect the rising demand and the spending patterns of previous years. In total £7.4m of the increased HNB funding has been allocated in response to the demand against these lines.
- 5.7. The HNB budget includes a funding allocation of £0.3m for two new ARPS. Newfield Primary is due to open in April 2023 and Elsley Primary is due open in September 2023, plus an allocation of £0.2m for the Sunshine Inclusion Base at Willow Family Wellbeing Centre.

- 5.8. The recoupment budget is an income budget which offsets expenditure on pupils from other boroughs. This budget line has been increased by £1.2m to a total of £2.4m, in line with the expected increase in demand and the current forecast for 2022/23. This line also includes administration charges to be recouped to reflect the actual costs of funding and administration.
- 5.9. The budget for funding Independent Day Special Schools has increased by £1.6m to £9.3m based on expected demand and there is a £0.2m reduction in the budget for funding Independent Residential Special Schools based on current projections.
- 5.10. Due to the nature of the charging process for post-16 provisions, there is a challenge to provide accurate forecasts for this service. In line with this, the budget has been set at the same level as in 2022/23, as actual costs will be determined at the end of the financial year. 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.
- 5.11. The reduction in the SEN Services budget is mainly due to the removal of £0.937k previously allocated for SEN Transport costs which is now being funded from the General Fund. Savings due to natural wastage of staff have also been factored into the SEN Services budget for 2023/24.

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 (EHCPs). At the end of January 2023, there were 3,219 children and young people with an EHCP compared to 2,938 in January 2022, representing a 9.6% 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 2022/23. The "DSG HNB Deficit Management Plan" identifies actions in place to recover part of the deficit over a number of years (see separate detailed report to this Schools Forum).

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 financial reports to Schools Forum.

Report sign off:

Nigel Chapman

Corporate Director of Children and Young People