

	<p align="center">Schools Forum 20 February 2024</p>
	<p align="center">Report from the Strategic Director of Children and Young People</p>
<p>High Needs Block Budget 2024/25</p>	

Wards Affected:	All
Key or Non-Key Decision:	N/A
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	N/A
List of Appendices:	Appendix 1 – HNB Budget Allocations 2024-25 Appendix 2 - Brent Proposed Bandings 2024-25
Background Papers:	Prior Financial reports to Schools Forum.
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1. Executive Summary

- 1.1. This report informs Schools Forum of the detailed High Needs Block (HNB) budget for adoption in 2024/25.

2. Recommendation

- 2.1. That Schools Forum notes the report.

3. Contribution to Borough Plan Priorities and Strategic Context

- 3.1. This report is linked to the Council’s Borough Plan which aims to support children and young people to get the best start in life, by working in partnership with schools and other partners to ensure access to education is fair and equal.

4. Background

- 4.1. The DfE’s HNB funding has been confirmed at £85.0m for 2024/25. This is £2.7m more than that received in 2023/24 and represents a 3% increase.

- 4.2. In addition, Schools Forum has approved a Schools Block transfer of 0.5% totalling £1.4m. This brings the total funding for the HNB in 2024/25 to £86.4m.
- 4.3. £9.0m 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 £77.3m.

5. Changes to the 2024/25 High Needs Block budget

- 5.1. 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.
- 5.2. 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.
- 5.3. A review of Brent's banding matrix, focussed on top-up costs for pupils with an EHCP in both mainstream and ARP placements is underway and this will be presented at a later Schools' Forum, with proposals to move from the current hours led system to a more needs-led provision-based approach in funding.
- 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 £0.659m 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 place.
- 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, £1.2m 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 rise in demand and the spending patterns of previous years. In total £2.1m of the increased HNB funding has been allocated in response to the demand against these lines.
- 5.7. The HNB budget includes funding allocation of £0.4m for two new ARPs i.e., Preston Park which commenced in September 2023 and Elsley Primary due to commence in April 2024, however the start date may be delayed subject to completion of the building. The budget also includes an allocation of £0.255m for the Sunshine Provision based 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 £1.1m to a total of £3.5m, in line with the expected increase in demand and the current

forecast for 2023/24. 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 and residential special schools has increased by £1.1m to £11.5m based on expected demand and 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. The budget has been set in line with the best estimate of the current financial year's forecast of £5m.
- 5.11. A zero-based budget setting approach has been applied to the budgets for SEN Services. This area has seen a budget reduction mainly due to aligning staffing costs to current agreed establishments and accounting for recharges to other areas of the DSG as well as the council's general fund account.

6.0 Stakeholder and ward member consultation and engagement

- 6.1 This Schools' Forum, a representative group of schools and settings, is regularly kept abreast of schools' budgets, including the Management Plan to address the deficit arising from the High Needs Block of the DSG. The Lead Member for Children, Young People and Schools is regularly updated on matters related to the DSG including SEND.
- 6.2 The Schools Forum subgroup for the High Needs block of the DSG met on 06 February 2024 to discuss the HNB budget, and the final detailed budget is provided in Appendix 1.

7.0 Financial considerations

- 7.1 The statutory override in place to carry forward a deficit balance against the DSG is due to end by 2025/26 which would possibly put a significant risk against the Council's General Fund reserves.
- 7.2 The main risk against this budget remains the rising number of children and young people with Education, Health and Care Plans (EHCP) in Brent and as of January 2024, there were 3,430 children and young people with an EHCP compared to January 2023 where the number was 3253 representing a 5% increase.
- 7.3 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 the commissioning arrangements in place.

7.4 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 2023/24. 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 few years.

8.0 Legal considerations

8.1 There are no legal implications directly arising from this report.

9.0 Equality, Diversity, and Inclusion (EDI) considerations

9.1 The key groups affected by the proposals are children and young people with SEND aged 0-25 in Brent. The Council is committed to inclusive education for all children and young people with SEND in mainstream schools, additionally resourced provision in mainstream schools and within special schools.

10.0 Climate Change and environmental considerations

10.1 There are no climate change and environmental implications directly arising from this report.

11.0 Communication considerations

11.1 Not applicable.

Report sign off:

Nigel Chapman

Corporate Director of Children and Young People