

REPORT TO: Schools Forum

DATE: 16th February 2022

REPORTING OFFICER: Operational Director - Finance

SUBJECT: High Needs Block Funding for 2022-23

WARDS: Borough wide

1.0 PURPOSE OF THE REPORT

To report to the Schools Forum the High Needs Block funding for 2022-23.

2.0 RECOMMENDATION: That

- 2.1 The report is noted.
- 2.2 The centrally retained budgets are agreed.

3.0 SUPPORTING INFORMATION

3.1 Grant settlement

The High Needs grant allocation for 2022-23 is £19,874,222 after recoupment for per place funding in academies and independent special schools.

3.2 Transfer from Schools Block

For 2022-23, we consulted on and requested a 1% transfer from the Schools Block to the High Needs Block. We have now received permission from the Department for Education for this transfer, which equates to £1,013,903.90. As per the consultation, £250,000 is being used to fund Invest to Save projects with the balance being used to offset the deficit DSG balance.

3.3 Health and Social Care Levy

The Department for Education have provided an additional £864,263 into the High Needs Block of the Dedicated Schools Grant to cover the Health and Social Care Levy and wider costs. The purpose of the levy is to cover increasing costs in education including additional National Insurance contributions and higher utilities costs.

It is proposed to utilise the levy as follows in priority order:

1. Funding will be allocated to special schools and the PRU based on the planned increase in NI costs. This will be determined by using the 2021/22 actual NI costs +1.25%. This methodology is designed to create parity between the mainstream sector and education funded wholly from the HNB.

2. Any remaining funds will be utilised to uplift funding for resource base provision based on the methodology set out above.
3. Any remaining funds will then be used to uplift mainstream EHCP bandings.

3.4 Special Schools and PRU top-up funding levels

Details of the top-up funding bands will be circulated prior to Schools Forum as Appendix A.

3.4 Resource Base top-up funding levels

Details of the resource base top-up funding levels will be circulated prior to Schools Forum as Appendix B.

3.5 Mainstream High Needs top-up funding levels (EHCP Bandings)

Details of the resource base top-up funding levels will be circulated prior to Schools Forum as Appendix C.

3.6 Centrally retained budgets

As we have yet to clarify the budgets required for Special Schools, PRU and Resource Bases, we are unable to issue the proposed centrally retained budgets at this point in time. Once these budgets are clarified we will circulate the proposed centrally retained High Needs Block budgets prior to Schools Forum as Appendix D.

4.0 FINANCIAL IMPLICATIONS

- 4.1 Although we have seen a significant increase in the High Needs Block grant allocation, costs are still increasing especially against the Out of Borough placement budgets. Detailed in-year monitoring will continue to enable close management of High Needs budgets.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

5.1 **Children & Young People in Halton**

It is essential that schools and education support services receive sufficient funding to allow them to support all children and young people.

5.2 **Employment, Learning & Skills in Halton**

None.

5.3 **A Healthy Halton**

None.

5.4 **A Safer Halton**

None.

5.5 **Halton's Urban Renewal**

None.

6.0 RISK ANALYSIS

- 6.1 It is evident that the major pressures on the High Needs Block are the costs of expensive out of borough provision, mostly linked to Social, Emotional and Mental Health (SEMH) provision at secondary level. All stakeholders must take an active part in helping to reduce these costs: schools through inclusive practice/approaches, the local authority through a range of its support services to schools and continued need for the Department for Education to progress with the in-borough SEMH Special Free School project, the appropriate early input from wider support services and agencies (early identification of needs and associated support) and continual budget monitoring by the Council.

7.0 EQUALITY AND DIVERSITY ISSUES

- 7.1 The Local Authority must discharge its statutory responsibilities in relation to all schools and settings.