

Dear All,

SCHOOLS' FORUM - THURSDAY, 16TH FEBRUARY, 2023

I am now able to enclose, for consideration at next Thursday, 16th February, 2023 meeting of the Schools' Forum, the following reports that were unavailable when the agenda was printed.

Agenda No Item

- 8 **Dedicated Schools Grant - High Needs Block 2023-2024 (Pages 1 - 6)**
 [To receive the High Needs Block funding allocations 2023-2024 for approval.]

If you have any queries about this meeting, please contact the Democratic Services team:

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City of Wolverhampton Council

SCHOOLS' FORUM

Date	16 February 2023
Report title	Dedicated Schools Grant – High Needs Block 2023-2024
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Summary

This report provides an update on the High Needs block (HNB) of the Dedicated Schools Grant (DSG) 2023-2024 and seeks approval to allocate the funding in accordance with the guidance issued by the Education and Skills Funding Agency.

Decisions

Members of the Forum are asked to:

1. Note the anticipated settlement for 2023-2024.
2. Approve the allocation of High Needs expenditure for 2023-2024 (Appendix 1).
3. Note the matrix bands for 2023-2024 (Appendix 2).
4. Approve a total per place contribution for maintained Pupil Referral Units and Special Schools to support the delivery of local authority retained education functions previously funded by Education Services Grant and the school improvement contribution.

Schedule of Background Papers

- [Dedicated Schools Grant allocation tables: 2022 to 2023 \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/101444/dsg_allocation_tables_2022_to_2023.pdf)
- [High Needs Funding 2022 to 2023: Operational guide – January 2022](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/101444/dsg_allocation_tables_2022_to_2023.pdf)

1.0 Background

- 1.1 The high needs funding system supports provision for children and young people with special educational needs and disabilities (SEND) from their early years to age 25, in line with statutory duties under the Children and Families Act 2014.
- 1.2 In December 2022, the Department for Education announced the provisional High Needs Block Grant Funding for 2023-2024.

2.0 High Needs Block Allocation and Budget requirement 2023-2024

- 2.1 As shown in the table below, the initial 2023-2024 HNB funding allocations show that Wolverhampton City Council will receive a total HNB allocation of £49.9 million. This represents an increase of 10% from the 2022-2023 allocation of £45.5 million.

	HNB Funding 2023-2024 £m	HNB Funding 2022-2023 £m
Allocation before deductions	58.2	52.6
Deductions (Non-maintained school place funding)	(8.3)	(7.1)
Total Initial allocation for CWC budgets	49.9	45.5

- 2.2 The current forecast expenditure against the High Needs Block in 2022-2023 is £45.2 million, which will result in an in-year underspend of £0.3 million and no overspend carried forward. This position is based on current data but may be subject to change.
- 2.3 The table in Appendix 1 shows the detailed forecast budget requirement for 2023-2024 based on current data with growth built in where required to account for forecast increases in student numbers. There is naturally some risk around this and the forecasts will be monitored closely, with Schools' Forum being updated of any significant changes to forecasts.
- 2.4 The forecast expenditure requirement for 2023-2024 is equal to the grant allocation of £49.9 million.

3.0 Place Funding

- 3.1 The place funding for Pupil Referral Units (PRUs) and Special Schools remains unchanged at £10,000 per agreed pupil place funding, plus top-ups based on pupils' assessed needs.
- 3.2 High Needs Units within mainstream schools continue to be funded at £10,000 per unoccupied place and £6,000 plus the Age-Weighted Pupil Unit (AWPU) calculated in the local funding formula per agreed place that is occupied, plus top-up funding where occupied.
- 3.3 Pupils in mainstream education do not attract specific place funding through the High Needs Block but will continue to receive top up payments from the Local Authority for each occupied place, based on pupils' assessed needs.

3.4 Place funding budgets for 2023-2024 are based on the current commissioned places for the academic years 2022-2023 and 2023-2024.

4.0 Matrix (Top Up) Funding

4.1 The planned redesign of the matrix bands has currently been paused, awaiting the outcomes of the National SEND Review. This report proposes to increase all mainstream and resource base bands by 9% and all Special School and PRU bands by 5.6%.

5.0 Additional Changes to 2023-2024 High Needs Block Budget

5.1 In addition to increasing the place and top-up funding the following changes have been made to the High Needs Block budget for 2022-2023:

- Increases to cover pay awards and increments to Council staff,
- Growth for projected in-year additional placements,
- Predicted increase in Education, Health and Care Plans (EHCPs) (and therefore SEN top ups) across the City,
- A budget for an additional allocation to maintained Special Schools and PRUs, special and alternative provision (AP) academies (including free schools), and maintained and academy hospital schools equal to 3.4% of grant funding in 2022-2023 (adjusted for changes to place numbers in 2023-2024). This grant payment is directed by the latest ESFA guidance as part of the additional High Needs Block funding for 2022-2023. This will be paid as a separate grant to settings where applicable.

6.0 Settings with High Incidence of SEN

6.1 As in previous years, the Local Authority will retain funding to support schools that have a higher than average number of pupils with SEND. It is proposed that the criteria for support used previously be maintained for the 2022-2023 allocation.

6.2 In order for a school to be eligible for support from this fund they will need to satisfy **two** criteria:

Low Prior Attainment: The percentage of pupils attracting LPA within the school is more than 10% below the average for that sector

or

Deprivation: The percentage of pupils attracting Deprivation within the school is more than 10% below the average for that sector

and

Statements more than £6,000: Where the numbers of Low Incidence High Cost (LIHC) pupils is more than 5.0% above the average for that sector.

7.0 Education Functions

7.1 The Education Functions charge for Special Schools and PRUs agreed by Schools' Forum in February 2022 was £36.49. This included the £31.45 for education functions and £5.04 as a contribution to cover 50% of lost school improvement grant to the Council.

At its January 2023 meeting Schools' Forum agreed that the 2022-2023 rate for Education Functions would increase by 4% to £32.71 per pupil. The Local Authority is proposing to maintain the school improvement element at £5.04, meaning that the overall charge per pupil to maintained special schools and PRUs would be £37.75 and the relevant multiplier. The Local Authority proposes no change to the previously approved multipliers of 3.75 for PRUs and 4.25 for Special Schools.

High Needs Block Forecast Budget Requirement 2023-2024

Budget Lines	Forecast 22-23 £million	Budget 23-24 £million	Increase/ (decrease) £million
Place funding Maintained	8.48	7.70	(0.78)
Top Up Funding	18.41	21.78	3.34
Additional Funding to Special/PRU	-	1.00	1.00
Hospital Funding	0.49	0.51	0.02
Home Funding	0.37	0.39	0.02
Outreach	0.91	1.02	0.14
Additionality	0.69	0.70	0.01
Out of City Provision	4.97	5.57	0.60
Special Education Provision "Personal Funding"	0.71	0.79	0.08
Special Education Provision "In City"	1.19	1.33	0.14
Alternative Provision – Placements	0.45	0.45	0.00
Inclusion funding	-	0.25	0.25
High Incidence SEN Funding	0.02	0.03	0.01
SEN Assessment and Development	1.43	1.43	0.00
SEN Sensory	0.64	0.66	0.02
SEN Early Years	1.05	1.07	0.02
Specialist Learning Support	0.12	0.12	0.00
PFI – Penn fields	0.27	0.27	0.00
Additional Nursery & Reception SEND Provision	0.08	0.08	0.00
Post 16 SEN Provision	0.99	1.10	0.11
Special Education Provision "Post 16 Out of City"	0.98	1.10	0.12
SEND Management and Commissioning	0.39	0.45	0.06
Contribution to SEN LAC Tripartite Funding	1.37	1.21	(0.16)
Teachers Pay & Pension Funding	0.85	0.90	0.05
B/F Deficit from 2021-2022	0.38	-	(0.38)
Total	45.24	49.91	4.67

2023-2024 Matrix Band Unit Rates

Special School Matrix Places Top Up

	A	A	B	C	D	E
Band	Speech, Language & Communication Broadmeadow	Speech, Language & Communication Other	Cognition and Learning	SEMH	Sensory	Physical (Including Residential)
2	£13,472	£8,825	£441	£7,655	£9,511	£12,259
3	£17,285	£12,636	£3,363	£10,085	£13,346	£15,961
4	£24,670	£20,023	£10,149	£12,212	£20,731	£19,824

Resource Base Matrix Places Top Up (Pro-rated for Part time places in Early Years)

	A	B	C	D	E
Band	Speech, Language & Communication	Cognition and Learning	SEMH	Sensory	Physical
2	£2,971	£0	£1,724	£3,197	£1,974
3	£6,887	£0	£4,222	£7,135	£5,776
4	£14,472	£6,583	£6,403	£14,719	£9,744

PRU Places Top Up

Statemented	Orchard	Northern House	Braybrook	Midpoint
Per Place	£15,059	£15,059	£16,747	£15,059

Mainstream Top ups

	A	B	C	D	E
Band	Speech, Language and Communication Other	Cognition and Learning	SEMH	Sensory	Physical (Including Residential)
2	£4,202	£4,202	£4,202	£4,202	£4,202
3	£8,406	£8,406	£8,406	£8,406	£8,406
4	£14,625	£14,625	£14,625	£14,625	£14,625