

City of Wolverhampton Council

SCHOOLS' FORUM

Date:	29 September 2022
Report title:	High Needs Block Update September 2022
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Summary

This report provides an update to Schools' Forum on the use of supplementary Dedicated Schools Grant (DSG) High Needs Block Funding in 2022-2023.

Decision

Members of the Schools' Forum are asked to:

1. Note that High Needs Block matrix values will increase by 3.5% from those previously published.

1.0 Background

- 1.1 On 12 January 2022, the Education and Skills Funding Agency (ESFA) informed City of Wolverhampton Council that it would be receiving an additional £1.861 million for 2022-2023 funded by the new Health and Social Care Levy, to be added to the High Needs Block allocation published on 16 December 2021.
- 1.2 The additional funding is intended to reflect the increase in costs related to changes in employer's National Insurance contributions, which were not yet agreed when the ESFA published the initial 2022-2023 DSG funding for the High Needs Block. The ESFA guidance suggested that, where appropriate, this funding could be used to uplift matrix values to meet increased costs.

2.0 Update to the High Needs Block Budget and increase to matrix Values

- 2.1 Schools' Forum approved the High Needs Block budget for 2022-2023 in February 2022, however at that stage there was a forecast overspend of £1.7 million in 2021-2022. Although the £1.8 million supplementary funding was included in this report, the forecast overspend meant that no increase was possible to matrix bandings at that stage.
- 2.2 Following the 2021-2022 year-end process the actual overspend on the High Needs Block for that financial year was found to be far less than expected at £380,000. This means that the proposed budget for 2022-2023 can be revised as shown in Table 1.
- 2.3 Whilst the forecast expenditure was in some cases revised down and, since the budget was set, work has begun to review matrix bands of certain children. In many cases, these are resulting in an increase, the current forecast being that this may cost in the region of an additional £1.0 million in 2022-2023. This cost has been built into the new budget shown in Table 1.
- 2.4 This meant that there was in the region of £700,000 remaining within the High Needs Block budget for 2022-2023 so, after discussion with the High Needs Sub-group, it has been agreed to increase matrix bands for mainstream schools, special schools, resource bases and PRUs by 3.5%. These new matrix bands are shown below in Appendix 1.
- 2.5 Current forecasts therefore indicate that there will be a balanced budget in 2022-2023, however there are still areas of uncertainty and the High Needs block forecast outturn will continue to be monitored in 2022-2023 and updates presented through the High Needs Sub-group of Schools' Forum.

Table 1 – Updated High Needs Block Budget 2022-2023	SF Feb 22	Updated forecast including 3.5% uplift
	£ million	£ million
Place funding	8.73	8.73
Top Up Funding – Maintained	12.34	11.86
Top Up Funding – Academies	5.91	6.27
Increase to top ups of 3.5%	-	0.7
Forecast additional cost of in year matrix changes	-	1.0
Hospital/ Home Funding	0.86	0.86
Outreach	0.95	0.95
Additionality	0.7	0.7

Table 1 – Updated High Needs Block Budget 2022-2023	SF Feb 22	Updated forecast including 3.5% uplift
	£ million	£ million
Out of City Provision	7.42	6.19
Alternative Provision – Placements	0.25	0.25
Alternative Provision – Inclusion Grant Funding (ISAP)	0.2	0.2
High Incidence SEN Funding	0.03	0.03
SEN Assessment and Development	1.38	1.38
SEN Sensory	0.64	0.64
SEN Early Years	1.26	1.26
PFI – Penn fields	0.27	0.27
Additional Nursery and Reception SEND Provision	0.08	0.08
Post 16 SEN Provision	2.18	1.89
SEND Management and Commissioning	0.33	0.33
Contribution to SEN LAC Tripartite Funding	1.24	1.21
Teachers Pay AND Pension Funding	0.73	0.85
OPERATIONAL HIGH NEEDS BLOCK BUDGET	45.5	45.65
Deficit Bought forward from previous years (assumed/actual)	1.73	0.38
Total High Needs Block forecast expenditure in 2022-2023	47.23	46.03
TOTAL INITIAL INDICATIVE HNB GRANT FUNDING	44.3	44.17
Additional Funding from Health and Social Care Levy	1.86	1.86
TOTAL REVISED HIGH NEEDS BLOCK DSG BUDGET	46.16	46.03
PROJECTED CUMULATIVE OVERSPEND TO CARRY FORWARD AT YEAR END	1.07	0

Special School Matrix Places Top Up

Band	A	A	B	C	D	E
	Speech, Language & Communication Broadmeadow	Speech, Language & Communication Other	Cognition and Learning	SEMH	Sensory	Physical (Including Residential)
2	£12,758	£8,357	£418	£7,249	£9,007	£11,609
3	£16,368	£11,966	£3,185	£9,550	£12,638	£15,115
4	£23,362	£18,961	£9,611	£11,564	£19,632	£18,773

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

Band	A	B	C	D	E
	Speech, Language & Communication	Cognition and Learning	SEMH	Sensory	Physical
2	£2,726	£0	£1,582	£2,933	£1,811
3	£6,318	£0	£3,873	£6,546	£5,299
4	£13,277	£6,039	£5,874	£13,504	£8,939

