

Meeting/Date	Schools Forum 31 March 2022	Agenda Item No.	6
Report Title	High Needs Block expenditure 2021-22 and projected expenditure 2022-23		
Decision/ Discussion/ Information	Discussion & Decision		
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Appendices			

1. Purpose of Report

- 1.1 The purpose of this report is to provide the School's Forum with a break down of the High Needs Block for 2021/22, the pressures against the budget, and the projected spend against the High Needs Block for 2022/23, taking account of increasing numbers of pupils with SEND and rising demand for additional SEND specialist places in Additional Resourced Provisions (ARPs) and special schools.
- 1.2 The report also provides a summary of ... and recommendations for mainstream school funding from the SEN Funding Working Group.

2. Introduction

- 2.1 The total High Needs Budget for 2021/22 is £60.847m, or £55.528 after Academies recoupment. The increase in the High Needs funding from 2021/22 to 2022/23 is £7.234m. Taking Schools Supplementary Grant of £2.453m into account, it gives us a total High Needs Budget of £68.081 for 2022/23, or £62.633m after Academies recoupment.
- 2.2 Budget calculations for 2022/23 have been based on the current and projected number of SEN places Barnet needs in mainstream schools and specialist provision, including Out of Borough and independent placements. Forecast spend also takes account of Hospital funding for young people with significant mental health needs, the SEN Inclusion Fund, increases in funding for mainstream schools outlined in the recommendations from the SEN Funding Working Group, expenditure on Hard to Place pupils, Residential care for children without an EHCP and the implementation of Barnet's Autism Strategy.

3. High Needs Block end of year forecast 2021/22

- 3.1 Table 1 below shows the budget for 2020/21 against the areas of expenditure, with the outturn for each area and the updated budget for 2021/22. Table 2 then shows the forecast outturn for 2021/22, the current estimates of budget requirements for 2022/23 and the variance between these.

Table 1: 2020/21 Budget, Outturn 2020/21, and updated Budget 2021/22

Area	Budget 2020/21	Outturn 2020/21	Updated budget 2021/22
	£	£	£
Place funding and PRU top-up	6,687,171	6,728,180	7,909,761
Top-up ARPs	3,287,617	3,457,697	3,993,118
Top-up Special schools	8,833,879	9,305,625	9,756,414
Top-up Post 16	4,004,290	3,979,617	3,995,000
Mainstream top-ups	9,683,371	10,445,714	11,202,954
Top-up Out of Borough	2,648,309	2,612,811	2,841,700
Independent sector	8,470,725	9,337,038	9,462,473
Other (SEN Inclusion Fund, Hard to Place pupils, Hospital Funding, Autism Strategy, Residential Care without EHCP)	6,060,255	5,365,598	6,366,580
Total expenditure	49,675,617	51,232,281	55,528,000

Table 2: Variance forecast for 2021/22 with the budget for 2022/23

Area	2021/22 Month 11 Forecast	2022/23 Budget Estimate	Variance Forecast 2021/22 to Estimate 2022/23
	£	£	£
Place funding and PRU top-up	7,848,180	8,533,698	685,518
Top-up ARPs	4,134,090	4,449,913	315,823
Top-up Special schools	10,229,625	11,596,477	1,366,852
Top-up Post 16	3,991,456	4,289,000	297,544
Mainstream top-ups	11,048,425	12,225,199	1,176,774
Top-up Out of Borough	2,722,000	3,056,617	334,617
Independent sector	9,961,473	11,183,473	1,222,000
Other (SEN Inclusion Fund, Hard to Place pupils, Hospital Funding, Autism Strategy, Residential Care without EHCP)	6,358,710	6,524,613	165,903
Total expenditure	56,293,959	61,858,989	5,565,030

- 3.2 The High Needs Block budget for 2022/23 is £62.633m (to be verified as recoupment calculation may change). Based on the budget forecast for 2022/23 of a spend of £61,858,989, this leaves £0.774m in the High Needs Block for contingencies, which at 1.2% of the total budget is a relatively low amount, although there will also be some overall DSG reserves carried forward from 2021/22 that could be drawn on if necessary.
- 3.3 The current forecast for place funding shows an increase of £685,518. There has been an increase in places in all of the special schools, and the increase takes account of the additional places at the proposed Northway annex which is due to open on the Grasvenor Infant school site in September 2022. It also takes account of 10 additional places at the Pavilion PRU and additional ARP places at Broadfields primary, which now has two ARPs (one for Autism and one for Cognition and Learning) and the new ARP at Friern Barnet secondary school (for Cognition and Learning) which is due to open in September 2022.
- 3.4 The increased funding in 2022/23 for top-ups in ARPs and special schools is for the additional places in Barnet schools which over time will impact on some of the independent school costs, including travel costs. The increased funding also takes into account a 2.5% increase in funding for special schools, which includes funding to cover the cost of the 1.25% increase in National Insurance contributions from April 2022. A higher increase is not proposed for special schools given the current rates compare favourably with rates paid in other London Boroughs and taking account of the carried forward balances of the Special Schools at the end of the 2020/21 financial year (which is the school year for Academies).
- 3.5 There has been an increase in numbers of specialist placements for 16–18 year olds and this is reflected in the increase in the 2022/23 budget of £297,544 for post 16 top-ups.
- 3.6 The budget assigned for mainstream top-ups takes account of growth, with an anticipated increase of £650,000 for new Education, Health and Care Plans (EHCPs). The remaining £526,774 has been assigned for the additional costs associated with the recommendations of the SEN Funding Working Group, if these are agreed. The recommendations of the Group are presented in the following section.
- 3.7 The Out of Borough (OoB) budget has been increased by 5% for 2022/23 to meet the additional demand, but the additional planned provision in Barnet will help to keep it at this level in subsequent years.
- 3.8 The budget assigned to the independent sector takes account of an additional 12 places in independent mainstream schools at a total cost of £324,000 and 14 additional Independent Special school day placements, costing £472,000. These figures do not take account of the additional Transport costs. With more specialist provision being developed in Barnet, these costs should reduce over time, assuming demand for specialist placements levels off.
- 3.9 The increase of £165,103 in the 2022/23 budget for “Other” takes account of the increase in requests for a Personal Transport Budget, an increase in Hospital funding for young people experiencing significant emotional and mental health difficulties, increased funding for Hard to Place pupils, and funding for the Transition Hub for young people with SEND coming into Barnet from other countries (including Hong Kong).

4. SEN Funding Working Group Recommendations

- 4.1 As a result of concerns about SEN funding in mainstream schools, 10 Head teachers met with the Director of SEND and Inclusion to form an SEN Funding Working Group to look at some options for additional funding for mainstream schools in certain circumstances. Comparison top-up rates from other local authorities were looked at by the group, with the conclusion that Barnet's top up rates are roughly at a midpoint when compared with other local authorities.
- 4.2 £526,774 has been budgeted in the 2022/23 Budget to cover the costs of the recommendations. If the recommendations are not agreed, or agreed in part, the remainder of the funding will go into the contingency funding to cater for any unexpected growth.

4.3 The recommendations from the group are as follows:

i) Fair Share and SEN Notional Funding

Where the funding for EHCPs in a mainstream school is 60% or more of the SEN Notional funding and the school has a deficit budget, the school will be given additional funding. The amount of funding will be determined by the number of EHCPs and the banded funding rates for the EHCPs, taking account of the school's SEN Notional funding and deficit budget.

ii) Full funding of pupils in mainstream schools awaiting specialist placement

The Working Group have agreed the following criteria:

Funding would be from the term after the specialist placements panel where it is agreed that a specialist placement is appropriate. This is for pupils who have an EHCP and who have Banded funding of 'D' or above. The maximum top-up funding a school could receive would be £18,000.

iii) Exceptional Circumstances Funding for pupils in the process of receiving an EHCP

The Working Group have agreed the following criteria:

This would only be applied to pupils where the school's provision map shows a need for Banded funding of 'D' or above. Schools will need to request this and provide the evidence to support the request for early funding. EHCP top-up funding to start 6 weeks early (i.e. at 14 weeks of the process), after the decision to issue has been made.

iv) Wording of the EHCP

The final recommendation does not include additional funding for mainstream schools, but it does enable schools to use their SEN funding more flexibly, whilst at the same time ensuring that EHCPs are compliant with the SEND Code of Practice, ensuring that provision is individualised to the needs of the child, specific and quantifiable.

Currently, the wording in the EHCP is:

"The funding will support X amount of hours a week based on Banding TA hours. To be provided to ensure that all needs are met and (child's name) makes measurable progress".

The recommended change to the wording in the EHCP is:

"The funding will support X amount of hours a week based on Banding TA hours. This could be delivered in a range of ways, according to the needs of the child, including small group work, paired work, or short bursts of targeted

intervention with an adult. The support provided will be designed to ensure that all needs are met and (child's name) makes measurable progress.

5. Recommendations to Schools Forum

- 5.1 The School's Forum is asked to note the report on the expenditure against the High Needs Block 2021/22 and the projected expenditure for 2022/23.
- 5.2 The School's Forum is asked to agree the recommendations of the SEN Funding Working Group.