

<b>TITLE</b>	<b>2023/24 High Needs Block Budget Update</b>
<b>FOR CONSIDERATION BY</b>	Schools Forum on 11 January 2023
<b>WARD</b>	None Specific;
<b>LEAD OFFICER</b>	Director, Children's Services - Helen Watson

## **OUTCOME / BENEFITS TO THE COMMUNITY**

This reports forms part of regular reporting to Schools Forum, informing areas of statutory decision making and improving visibility and consultation on wider Dedicated Schools Grant (DSG) financial matters.

## **RECOMMENDATION**

Schools Forum is asked to note the progress on the 2023/24 High Needs Block budget setting process.

## **SUMMARY OF REPORT**

To update Schools Forum on the approach to the 2023/24 High Needs Block Budget setting prior to consultation on final budget proposals.

The impact of the Autumn Statement had previously been assumed at £1m for Wokingham, following advice received through the Safety Valve Programme. Figures have now been confirmed as £1.18m through the finance settlement received in December, however the additional funding also comes with conditions of grant on how this must be allocated to settings.

Members of the High Needs Block Task & Finish Group are as below, with support provided by relevant Council Officers:

- Corrina Gillard – Head Teacher, Emmbrook Infant School
- Debra Briault – Chief Operating Officer, The Circle Trust
- Raj Arava – School Business Manager, Foundry College
- Sara Attra – Head Teacher, Addington School
  
- Sal Thirlway – Assistant Director, Learning Achievement & Partnerships
- Dan Robinson / Jamie Conran – SEND Lead

Inflation remains the key challenge as cost pressures seen in settings are likely to outstrip the additional resources available. This will require to be reviewed in conjunction with application of the conditions of grant attached to the additional grant funding received for 2023/24.

The group will bring back final recommended budget assumptions for consultation with Schools Forum at the March meeting.

### **2023/24 High Needs Block Budget January 2023**

#### **.01 Purpose of the Report**

To update Schools Forum on the approach to the 2023/24 High Needs Block Budget setting prior to consultation on final budget proposals.

#### **.02 Recommendation**

Schools Forum is asked to note the progress on the 2023/24 High Needs Block budget setting process and the links to the Safety Valve Programme.

#### **.03 Background**

As one of four blocks of Dedicated Schools Grant (DSG) funding provided by the Department for Education (DfE), the High Needs Block (HNB) is allocated to Local Authorities through a national formula and is intended to fund support for children and young people with special educational needs and disabilities (SEND) from their early years to age 25. High Needs Funding is also intended to support good quality Alternative Provision (AP) for pre-16 pupils who, because of exclusion, illness or other reasons, cannot receive their education in mainstream or special schools.

While significant increases in HNB funding has been provided nationally in recent years, in Wokingham, as with many other LAs, the cost and demand of support for vulnerable children and young people has outstripped available resources.

Locally, the cumulative deficit on the HNB as at 31<sup>st</sup> March 2022 stood at £10.8m, and is projected to increase to £16.5m by the end of the current financial year.

Wokingham is currently working with the DfE, as part of the Safety Valve Programme, on delivery of a management plan seeking to delivering in-year balance by 2028/29. Detailed budget setting decisions for the 2023/24 HNB will require to be set in the context of that longer term financial plan.

#### **.04 2023/24 High Needs Block Funding**

Nationally, High Needs Block funding is increasing by £970m, or 10.6%, in 2023/24.

The total High Needs Budget of £9.7 billion announced in July 2022 has been increased by £400m, to £10.1 billion, as a result of additional funding announced through the Autumn Statement.

The impact of the Autumn Statement had previously been assumed at £1m for Wokingham, following advice received through the Safety Valve Programme.

Figures have now been confirmed as £1.18m through the finance settlement received in December, however the additional funding also comes with conditions of grant on how this must be allocated to settings.

#### **.05 High Needs Block Task & Finish Group**

Members of the High Needs Block Task & Finish Group are as below, with support provided by relevant Council Officers:

- Corrina Gillard – Head Teacher, Emmbrook Infant School
- Debra Briault – Chief Operating Officer, The Circle Trust
- Raj Arava – School Business Manager, Foundry College
- Sara Attra – Head Teacher, Addington School
  
- Sal Thirlway – Assistant Director, Learning Achievement & Partnerships
- Jamie Conran – Head of SEND (joining Jan 2023)

The group met prior to the end of the autumn term to discuss in more detail the HNB model and outlook underpinning the DSG Management Plan, and the impact of the Safety Valve Programme.

Inflation remains the key area for further work through the Group, given rising cost pressures on all settings significantly outstrip the resources available in the context of a 6-year balanced budget position.

In addition, the conditions of the additional grant now received will require to be worked through in detail.

#### **.06 Transfer from the Schools Block**

As reported in the Schools Block Budget report, the LA is not anticipating a block transfer for the 2023/24 financial year. The impact of that will however be absorbed through the LA's planned equalisation fund, held separately to the DSG and therefore the financial envelope planned for in 2023/24 will not change.

#### **.07 Financial Summary**

Discussion continues through the High Needs Block Task & Finish Group to work through the detail of 2023/24 budget setting, set against the context of the DSG Management Plan being discussed through the Safety Valve Programme.

Inflation remains the key challenge as cost pressures seen in settings are likely to outstrip the additional resources available. This will require to be reviewed in conjunction with application of the conditions of grant attached to the additional grant funding received for 2023/24.

The group will bring back final recommended budget assumptions for consultation with Schools Forum at the March meeting.

<b>Contact:</b>	Lynne Samuel Finance Business Partner – Children's Services
<b>Email:</b>	lynne.samuel@wokingham.gov.uk