



**REPORT OF:** Executive Member for Children, Young People & Education  
Executive Member for Finance and Governance

**LEAD OFFICER:** Strategic Director, Children & Education

**DATE:** 9<sup>th</sup> June 2022

**PORTFOLIOS AFFECTED:** All

**WARDS AFFECTED:** All

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**TITLE OF REPORT:** Dedicated Schools Grant - High Needs Block Budget Provision 2022/23

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## 1. PURPOSE

- 1.1 The purpose of this report is to seek the Executive Board's approval to the allocation of the High Needs Block funding provision paid to the Council as part of the Dedicated Schools Grant for 2022/23.

## 2. RECOMMENDATIONS

- 2.1 It is recommended that Executive Board:-

- a) note the Council's High Needs Block funding for 2022/23 as shown at **Appendix A**;
- b) endorse the budget allocations for the High Needs Block as set out at **Appendix B**.

## 3. BACKGROUND

- 3.1 Dedicated Schools Grant (DSG) is paid to the Council in support of the Local Authority's Schools Budgets. It comprises four blocks (Schools Block, High Needs Block, Early Years Block and Central School Services Block). It is the responsibility of the Council, in conjunction with their local Schools Forum, for determining the split of the funding between their own expenditure and the Individual Schools' Budgets.
- 3.2 For 2022/23, DSG totals £183.348m and is shown, by block and in comparison to 2021/22, in the table below:-

**Table 3: Dedicated Schools Grant 2022/23**

	2021/22 £000	2022/23 £000	Change £000
Schools Block	138,058	142,241	4,183
Central Services Block	2,151	1,944	(207)
High Needs Block	25,628	28,276	2,648
Early Years Block	11,816	10,887	(929)
<b>Total</b>	<b>177,653</b>	<b>183,348</b>	<b>5,695</b>

3.3 In accordance with Schools Forum Regulations, the allocation of the Schools Block, Central Services Block and the Early Years Block is a matter for the Schools Forum to decide. The allocation of the High Needs Block is a matter for the Council to decide (although it is good practice to inform the Schools Forum of the proposed allocations).

#### 4. RATIONALE

4.1 High Needs Block funding is provided to the Council to enable it to meet its statutory duties under the Children and Families Act 2014.

4.2 The development and implementation of the budget for High Needs Block underpins the provision of education for pupils and students with special educational needs or disabilities (SEND), from early years to age 25 and alternative provision for pre-16 pupils who, because of exclusion, illness or other reasons, cannot receive their education in mainstream schools.

#### 5. KEY ISSUES

##### Overall Funding Allocation 2022/23

5.1 Details of the High Needs Block funding for 2022/23 were provided to the Council as part of the Government's announcement on the Dedicated Schools Grant for 2022/23 in February 2022. The High Needs Block funding allocation is calculated using the High Needs National Funding Formula (NFF) which comprises a range of factors – a basic entitlement, population and a historic spend factor (uplifted annually) reflecting past spending.

5.2 The calculation of the Council's High Needs Block funding allocation for 2022/23 is provided at **Appendix A** (with a comparison to the funding received in 2021/22). The Executive Board will note that the Council's funding allocation for 2022/23 will be £29.338m (compared to £26.282m in 2021/22), an increase of £3.056m (or 11.6%) when compared to the previous year. This is primarily a result of the following matters:-

- a 9% increase in the number of pupil places when compared to 2021/22;
- a national increase in the High Needs Funding in 2022/23 of £780m (or 9.6%) compared to the amounts allocated in 2021/22. For the Council, this is largely reflected in an increase of £2.547m in the Historical Spending (and the range of proxy factors); and
- additional supplementary funding of £1.062m (see 5.4 below).

5.3 As shown at **Appendix A**, in 2021/22 it was agreed by the Schools Forum that 0.5% of the Schools Block would be transferred to the High Needs Block. This is permissible under current operational guidance for DSG. In view of the increased amount of High Needs Block funding in 2022/23, the Schools Forum agreed that it was not considered necessary to make the 0.5% transfer in 2022/23.

5.4 The additional supplementary funding of £1.062m is the Council's share of an additional £1.6bn grant funding provided to Councils on top of the DSG for 2022/23 which was announced by the Government at Spending Review 2021 last Autumn. According to Government guidance, this amount '*includes funding for the Health and Social Care Levy and wider cost pressures in special schools and alternative provision*'.

## ***Proposed Budget Allocation 2022/23***

5.5 The allocation of the High Needs Block funding for 2022/23 builds upon the agreed budget for the current financial year. Details of the proposed budget are set out at **Appendix B**. For the financial year ending 31st March 2023, Blackburn with Darwen Borough (BwD) council received an increase in their Dedicated Schools Grant allocations for High Needs of £3.056m.

- £1.476m of the increased allocation has been used internally within the LA to support the “in-house” SEND provision. This covers the Send Support services available to the schools, to help identify and provide a service to support those schools with children Educational Health Care Plans (EHCPs). By providing this support internally, it helps support the Borough’s schools to educate a large amount of our children in the mainstream school setting making the school offer a more inclusive option for the children of Blackburn with Darwen;
- £1.579m of the increase in funding has been allocated across the various School provisions within Blackburn with Darwen and Out of Borough. This accounts for financial support by the way of place- and ‘top up’ funding to schools to maintain the current level of EHCPs along with allocating new ECHPs for due to the identification of increase of needs for some of our Children. Budget has been provided for an additional 36 Special School places across the Borough, to help ease the reliance on Out of Borough Special Schools, as those places can cost approx. three times an average Special School place. This would also keep those children in Borough, without the need to travel far to school.

5.6 The Executive Board is asked to endorse budget allocations for the High Needs Block as set out at **Appendix B**. In doing so, the Executive Board should note that details of the funding allocations and budgets for the High Needs Block for 2022/23 were considered by the Schools Forum at its meeting in February 2022.

## **6. POLICY IMPLICATIONS**

6.1 There are no policy implications arising directly from this report.

## **7. FINANCIAL IMPLICATIONS**

7.1 The financial implications are as given in the report.

## **8. LEGAL IMPLICATIONS**

8.1 There are no legal implications arising directly from the contents of this report.

## **9. RESOURCE IMPLICATIONS**

9.1 There are no other resources implications arising from the contents of this report.

## **10. EQUALITY AND HEALTH IMPLICATIONS**

10.1 There are no equality and health implications arising from the contents of this report.

## 11. CONSULTATIONS

11.1 None arising from the contents of this report.

## 12. STATEMENT OF COMPLIANCE

12.1 None arising from the contents of this report.

### Appendices

Appendix A – Calculation of the High Needs Block Funding Allocation for 2022/23

Appendix B – Budget Allocations for the High Needs Block for 2022/23

<b>VERSION:</b>	1
<b>CONTACT OFFICER:</b>	Dean Langton
<b>DATE:</b>	April 2022
<b>BACKGROUND PAPERS:</b>	None