

Schools Forum

26 September 2022

SPECIAL EDUCATIONAL NEEDS HIGH NEEDS BLOCK 2022/23
AUGUST 2022 MONITORING REPORT

This report is for Information

1. Recommendations:

That Schools Forum members:

- 1.1 Note the contents of the report in relation to the 2022/23 HNB Grant budget monitoring for the period 1 April – 31 August 2022.

2. Purpose

- 2.1 To provide Schools Forum with the HNB monitoring position as at 31 August 2022 projected to 31 March 2023.

3. HNB Budget 2022/23

- 3.1 The HNB original indicative grant for 2022/23 reported to Schools forum on 14 March 2022 was £61.267M. After deductions of £3.130M the grant available was £58.137M.
- 3.2 The balance bought forward as at 1 April 2022 is £3.930M surplus.
- 3.3 The DFE updated the HNB Grant in July 22 which showed an increase of £2.671m from the figure reported to The Forum in March 2022. This is usual practice and Table 1 shows the updated grant figures and where there are differences from March figures.

Table 1 Updated 2022/23 HNB Grant

	HNB Indicative Grant £M	HNB revised Grant July 2022 £M	Difference £M
Indicative Grant December 2021	61.126	61.126	0
Import/Export Adjustment	0.141	0.318	0.177
Special Supplementary Grant		2.300	2.300
Funding Re Free Schools		0.482	0.482
Deductions	-3.130	-3.418	-0.288
Total	58.137	60.808	2.671

3.4 The updates to the Grant can be explained as follows;

- Import adjustments are for pupils that are educated within Sandwell but reside outside in another Local Authority. The data is extracted from January Census and an adjustment is made to reduce Other Local Authority's (OLAs) HNBs and increase Sandwell's. Export adjustment are for pupils that reside in Sandwell but are educated in OLAs. The figures are combined to give a net adjustment. Sandwell are an overall net importer. The adjustment of £0.177M relates to adjustments following the data extracted from the January 2022 Census. This data is checked, and errors are submitted in July. Errors that are identified and agreed will be notified to Sandwell and the HNB will be adjusted again around December 2022.
- The Special Supplementary Grant had already been notified to the LA but had not been incorporated in the December

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2021 Indicative Grant. This has already been allocated to Special Schools and PRUs.

- Funding for free schools of £482K was not included in the indicative grant but the funding for pupils in Free Schools was budgeted for by Sandwell in the original budget figures so this additional funding will increase/decrease any in year deficit or surplus.
- Deductions are made for place funding for mainstream Academy Schools with a Focus Provision or Post 16 pupils with an EHCP, Academy Special Schools, Free Special School, Colleges, and Training Providers where Sandwell is the lead authority. The deduction is £10K per place if unoccupied or £6K per place if occupied, for school placements. It is £6k per place for Colleges and Training providers based on the number of commissioned places. The LA agree the deductions each November via a place change notification process. The £288K adjustment is represented as follows :
 - Changes in Mainstream Academy occupied/unoccupied Places - £28K Increase
 - AP Academy and Free school place - £6K deduction
 - Additional Free School places requested by the LA via the place change notification - £210K deduction
 - Additional Training Provider places requested by the LA through the place change notification - £108K deduction
 - Reduction in Post 16 SEND places in mainstream schools requested through the place change notification - £8K increase

3.5 The anticipated in year surplus as at 31 August 2022 projected to 31 March 2023 based on the updated Grant is £1.040M

3.6 Appendix 1 shows the 2022/23 High Needs Block Budget Allocation, the actual expenditure as at 31 August 2022 and the variance from budget.

3.7 The Variances are explained below;

Variation 1

Out of borough placements, show a £456K pressure due to an increase in the number of placements in out of borough and Independent schools. This pressure may reduce as there is a contingency of £355K built into the predictions to support placements that will be made from September 2022 to March 2023.

Variation 2

There has been an increase in EHCP assessments which has resulted in a projected overspend of £108K on the delegated funding provided to Focus Provisions.

Variation 3

There are more pupils on roll at High Point from 1 September 2022 than was anticipated when the budget was prepared. Therefore, there will be a pressure of £186K.

Variation 4

An amount of £480k from the Early Years Grant is used to offset the early support for pupils in private provider settings and those in mainstream early years settings. Predicted costs in private provider settings is £660K. The support for pupils in mainstream schools is set against the schools' delegation and not shown separately. The £480k will be insufficient to cover the full costs of meeting the needs of the pupils in the early years settings, so there is a pressure of £110K against private providers alone.

Variation 5

The total variances equate to a saving of £89k across 9 service areas. These are mainly due to staff turnover, maternity leave, opting out of the LA superannuation scheme and full time budgeted posts covered by staff on reduced hours and the inclusion of 2022/23 pay awards.

Variation 6

SEN Developments is showing an underspend of £939K – This budget head currently covers independent appeals and reports. It also holds the HNB surplus balancing figure of £630K, which is the difference between the calculated budgets as at 1 April 2022 and the HNB Grant initial settlement 2022/23 as well as the additional grant received in July 2022.

4. Recommendations

4.1 That Schools Forum note the contents of the report.

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