

Report to Cabinet

9 February 2021

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| Subject: | High Needs Block Funding Allocation |
| Cabinet Member: | Cabinet Member for Children and Education, Councillor Karen Simms |
| Director: | Director of Children and Education, Michael Jarrett |
| Key Decision: | Yes |
| Contact Officer: | Moira Tallents, Group Head, Inclusive Learning moira_tallents@sandwell.gov.uk |

1 Recommendations



- 1.1 That the Director of Children and Education be authorised to distribute High Needs Block (HNB) grant funding allocated by central government to meet the needs of children and young people with additional needs, including special educational needs for the period 1 April 2022 to 21 March 2023.

2 Reasons for Recommendations

- 2.1 Approval is requested to distribute High Needs Block (HNB) grant funding allocated by central government to meet the needs of children and young people with additional needs, including special educational needs for the period 1 April 2022 to 31 March 2023.
- 2.2 Every year the Council agrees with the Schools' Forum the local formulae through which the money is then distributed to schools and early years settings. The Council is also responsible for distributing the high needs funding to meet the needs of children and young people with additional needs, including special educational needs. This is also done in consultation with the Schools' Forum.



3 How does this deliver objectives of the Corporate Plan?

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|  | <p>Best start in life for children and young people</p> <p>The proposals contained in this report support the Sandwell's Vision 2030 as stated in:</p> <p>Ambition 3: Our workforce and young people are skilled and talented, geared up to respond to changing business needs and to win rewarding jobs in a growing economy and</p> <p>Ambition 4: Our children benefit from the best start in life and a high-quality education throughout their school careers with outstanding support from their teachers and families.</p> |
|  | <p>Strong resilient communities</p> <p>Ambition 1: Sandwell is a community where our families have high aspirations and where we pride ourselves on equality of opportunity and on our adaptability and resilience</p> |

4 Context and Key Issues

- 4.1** The Schools' Forum meeting held on 13 December 2021 received information on the HNB grant for 2022/23 and agreed proposals for the use of additional funding. This was ahead of the DfE settlement received on 17 December 2021. These proposals have formed the recommendations for this report.



4.2 The current position

4.3 In 2019 the announcement from the DfE identified that Sandwell's HNB grant would increase by £7.1m, from £40.9m for 2019/20 to £48.0m for 2020/21. This excludes funding for academies which is allocated directly to them. The DfE agreed a three-year increase in HNB funding and 2022/23 is the last year of that agreement. The funding for 2022/23 is £58.137million (announced 17 December 2021) Further announcements are anticipated for 2023/2024 onwards but no timescales have been given at the time of writing.

4.4 To manage the spend Local Authority Officers consulted with a range of stakeholders to develop proposals to improve services and specialist provision. Stakeholder groups included:

- Special School, PRU and Focus Provision Head Teachers Steering Group
- Primary School Steering Group
- Secondary School Steering Group
- Sandwell Parent Voices United
- Schools Forum Sub-group

The finalised consultation proposals and information:

- Joint Executive Group Head Teachers
- Secondary Headteacher Partnership
- Primary Headteacher Partnership
- Local Offer

4.5 The proposals focussed on three areas: school support, top-up funding for children/young people with Education, Health and Care Plans and specialist provision.

4.6 The full proposals sent out for consultation with schools and parents is provided in Appendix 1



4.7 School Support

4.8 Following the consultation process proposals were developed to change how secondary schools were allocated hours of support from Inclusion Support (Education and Child Psychologists, Special Advisory Teachers: Learning, Special Advisory Teachers: SEMH). It was agreed that this would change from a “flat rate” where all secondary schools receive the same number of hours to a needs lead formula model (similar to a model already used by primary schools). The formula and weightings of elements within it will be co-constructed with a steering group from Secondary schools during the Spring term 2022 ready for implementation in September 2022. This is a redistribution of resources and has no implications on High Needs Block funding

4.9 It was also agreed by Schools’ Forum to use money allocated within the High Needs Block to employ a Transition / Reintegration Team to support managed moves within secondary schools rather than a new Preventing Secondary Exclusion Team. The Transition / Reintegration team are currently funded by the school’s exclusion levy.

4.10 Top-Up Funding for children and young people with Education, Health and Care Plans

4.11 It was agreed by Schools’ Forum to view the proposals on increasing levels of top-up funding for individual pupils alongside the financial implications of increasing specialist places as this would have a significant impact on High Needs Block funding going forward. After consultation and further consideration by Schools’ Forum, it was agreed that current levels of top-up funding would remain the same.

4.12 Specialist Provision

4.13 Following the consultation process proposals were developed to increase specialist provision for children and young people with SEND. The High Needs Provision Allocation Grant would fund the capital works for building these provisions whilst the HNB would fund the revenue (pupil placements).



4.14 The following incremental increases to specialist provision were proposed and agreed by Schools' Forum:

- New Social Emotional and Mental Health Resource provision for KS3 pupils
- Expansion of KS3 / KS4 Social, Emotional and Mental Health Specialist Provision
- Expansion of specialist provision for children / young people with Severe Learning Difficulties (SLD) / Complex needs in both Primary and Secondary age ranges through either expansion of current provision, satellite schools or resource bases.

4.15 The proposals to use High Needs Capital Allocation grant to support development of specialist teaching environments in mainstream schools were not taken forward by Schools' Forum as the recommendation was to invest the capital funds in developing more specialist provision. The subsequent proposal to provide a small resource grant to support the establishment of specialist teaching environments was also not taken forward.

4.16 The proposals assume that pupils with the highest level of need will access the specialist provision. This will include existing pupils and not just new SEND pupils.

Details of the impact of costs associated with these proposals on the HNB are shown in Appendix 2 alongside the predicted increases of children and young people being supported by Education, Health and Care Plans

4.17 Outcomes / Service Improvements

4.18 Consultation

4.19 The stakeholders consulted with when developing the proposals are identified in Section 4.4.



4.20 The Schools' Forum formerly considered the proposals developed with stakeholders at its meetings held on 8 November and 13 December 2021. The outcomes of these meetings have informed the recommendations of this report.

4.21 Strategic Resource Implications

4.22 The Council receives HNB Grant from the Department of Education as part of its Dedicated Schools Grant. The Secretary of State for Education announced that Sandwell would receive HNB Grant of £58.137million in 2022/23.

4.23 A summary of the additional costs for the proposals described in section 4 is shown in Appendix 2. This uses the indicative grant known at the time of 57.782m.

5 Alternative Options

5.1 A range of alternative proposals were considered during the stakeholder engagement and consultation process, before the final proposals were submitted to the Schools' Forum for approval on 8 November and on 3 December 2021.

6 Implications

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| Resources: | The Council receives HNB Grant from the Department of Education as part of its Dedicated Schools Grant. The Secretary of State for Education announced that Sandwell would receive HNB Grant of £58.137 million for 2022/23. (This is after deductions for high needs places in recoupment academies, special and alternative provision academies , Further Education and Independent Learning Providers; place funding is instead provided to these institutions directly by the Education & Skills Funding Agency). |
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| | <p>The Council receives HNB Grant from the Department of Education as part of its Dedicated Schools Grant. The Secretary of State for Education announced that Sandwell would receive HNB Grant of £58.137 million for 2022/23. (This is after deductions for high needs places in recoupment academies, special and alternative provision academies , Further Education and Independent Learning Providers; place funding is instead provided to these institutions directly by the Education & Skills Funding Agency).</p> <p>The spend against the HNB Grant is monitored and reported to Schools Forum at meetings throughout the year. Mitigations to manage the perspective risks are agreed through consultation with schools. If the HNB grant does go into deficit then the Local Authority and Department of Education will agree a recovery plan.</p> |
| Legal and Governance: | The Authority has to adhere to the Schools and Early Years Finance (England) Regulations 2021 which will very shortly be updated for 2022. |
| Risk: | <p>The Corporate Risk Management Strategy (CRMS) has been complied with – to identify and assess the significant risks associated with this decision. This includes (but is not limited to) political, legislation, financial, environmental and reputation risks.</p> <p>If the proposal of this report is not approved, children and young adults with SEND will not receive the appropriate provision in a timely manner and resulting improved educational outcomes. A risk register is in place and is being managed as part of the overall governance arrangements.</p> <p>The council's Directorate Risk Register currently has SEND noted as a red risk. The recommendations above if approved, will assist in the continued mitigation of this risk.</p> |



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| | The recommendation by Schools' Forum members to adopt the agreed proposals specified in the report. |
| Equality: | Any impacts on protected characteristics groups are positive because the focus of the support through funding is for identified children with SEND. |
| Health and Wellbeing: | Research has identified that children with SEND often experience lower levels of subjective well-being in their educational environment. The range of proposals identified in this report seek to provide greater support to children with SEN, and their families, and will positively impact on their well-being. |
| Social Value | See health and wellbeing section |

7. Appendices

Appendix 1 – Consultation Proposals

Appendix 2 – Financial predictions and impact modelling on High Needs Block

8. Background Papers

High Needs Block Grant Provision 2020/21 reports to Schools Forum – 8th November and 13th December 2021.

<https://sandwell.moderngov.co.uk/ieListDocuments.aspx?MId=6032&x=1>



Summary of Specialist Provision Proposals

| Proposals Description | No of places | Full Year cost*HNB £000 |
|---|--------------|----------------------------|
| KS3 SEMH Focus Provision | 10 | 231,290 |
| KS3 / KS4 Expansion of Specialist SEMH Provision | 10 | 347,370 |
| SLD / Complex Needs Expansion of Specialist Provision / Satellite Schools / Resource Base | 20 | 482,920 |

* Assuming full capacity

