

## 7. HIGH NEEDS UPDATE 2020-21

November 2020



### BUDGET SETTING 2021/22

The provisional 2021/22 High Needs Block allocation has been announced at £37.797m which is an increase of £3.770m against the latest 2020/21 allocation.

The table below shows the formula factors and funding that make up the high needs block allocation.

LA Name	Plymouth
Region	SOUTH WEST
LA code	879
(A) Basic entitlement factor (8%)	£3,178,120
(B) Historic spend factor (34%)	£12,706,156
(C) Population factor (25%)	£9,247,846
(D) FSM factor (6%)	£2,248,902
(E) IDACI factor (7%)	£2,492,420
(F) Bad health factor (4%)	£1,646,864
(G) Disability factor (5%)	£2,038,449
(H) KS2 low attainment factor (4%)	£1,458,511
(I) KS4 low attainment factor (4%)	£1,549,958
(J) Funding floor factor (0%)	£0
(K) AP factor (2%)	£911,694
NFF allocation before provisional import/export adjustment and additional funding for new and growing special free schools (100%)	<b>£37,478,919</b>
(L) Import/export adjustment (provisional) (0.8%)	£318,000
2021-22 high needs NFF provisional allocation before limit on gains	<b>£37,796,919</b>
2021-22 high needs NFF provisional allocation after calculation of gain on 2020-21 baseline up to 12% per head, including the import/export adjustment	<b>£37,796,919</b>

The Basic Entitlement and AP factors have been uplifted by £0.664m for Teachers Pay and Pensions Grants. The £12.7m Historic Entitlement Factor remains the same. We will receive an additional £1.395m through the population factor and £1.696m through the other main factors.

The Special School and Alternative Provision Teachers Pay and Pensions Grants have been rolled in to the High Needs Block from 2021/22, and this funding needs to be protected – so the real increase is £3.146m.

This confirms that the 10% increase to top-up bandings in 2020/21 is permanent and doesn't need to be reduced back down.

BMG will be looking at how to allocate the additional £3.146m in 2021/22. Consideration will be made of:

- Existing pressures and known increases in demand (eg. Post 16)
- Potential further increases to top up funding
- Review of exceptional cohort funding, potential uplift
- Lack of special school and support centre places
- Alternative Provision and Inclusion proposals
- Sustainability for future static funding levels.

## BUDGET MONITORING 2020/21

Per the DSG monitoring report the High Needs Block is reporting an underspend of £0.787m in 2020/21, of which £0.600m has been ring-fenced for AEP proposals based on the BMG recommendation.

### Current Pressures

Due to the increased funding we are not seeing budget pressures in the same way that we did in previous years, however there are still some areas of concern, where spend has risen significantly higher than budgeted for.

### I. PURCHASE OF SPECIAL SCHOOL PLACES

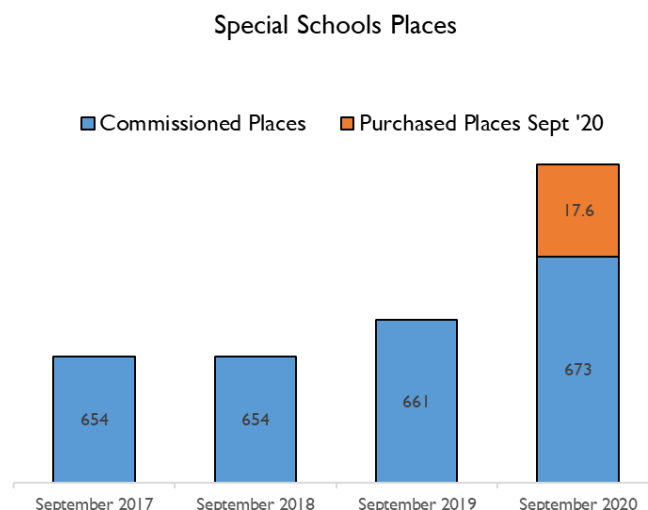
We are currently purchasing 690.6 places with the Plymouth special schools, which costs £6.906m

In September 2020 this was 17.6 places more than we had budgeted for costing £0.170m. Additional top-up funding for each pupil which was approximately an additional £0.264m.

Whilst we have purchased some additional places in previous years this is by far the highest level.

Even with all these places there are still pupils coming to SMAP that are appropriate for special schools but we do not have sufficient space.

Pupils can then require high levels of additional funding to remain within mainstream, through Band 3+ packages.



## 2. CONTINUING DRIFT TO HIGHER BANDING

In April 2016 we had more Band 6 pupils (234, 36%) in Special Schools than Band 7 (226, 35%) or Band 8 (163, 25%). Currently there are only 130 Band 6 pupils (19%) this has dropped by almost half as Band 8's have risen by 65% (now 251, 36%)

A 5% move from Band 6 to Band 7 and from Band 7 to Band 8 costs around £0.163m, so it is important to closely monitor the banding drift.

The numbers of Band 7s and Band 8+'s remain broadly static in recent years.

	Band 6	%	Band 7	%	Band 8	%	Band 8+	%
<b>Apr-16</b>	<b>234</b>	<b>36%</b>	<b>226</b>	<b>35%</b>	<b>163</b>	<b>25%</b>	<b>22</b>	<b>3%</b>
Apr-17	224	34%	235	36%	170	26%	26	3%
Budget Setting 18/19	202	31%	249	38%	180	28%	22	4%
Apr-18	199	31%	254	39%	176	27%	21	3%
Jul-18	188	29%	256	39%	189	29%	26	3%
Sep-18	164	25%	264	41%	199	31%	24	4%
Budget Setting 19/20	170	25%	273	41%	200	30%	26	4%
Apr-19	161	24%	273	41%	207	31%	26	4%
Oct-19	139	21%	271	41%	233	35%	26	4%
Budget Setting 20/21	139	20%	272	40%	235	34%	28	4%
Apr-20	138	20%	271	40%	237	35%	30	5%
<b>Oct-20</b>	<b>130</b>	<b>19%</b>	<b>285</b>	<b>41%</b>	<b>251</b>	<b>36%</b>	<b>28</b>	<b>4%</b>

### BMG WORKPLAN

The budget modelling group have had an initial meeting to identify the areas that be covered in this academic year, including discussions around the additional funding in the 2021/22 financial year, as detailed above.

Below is the proposed BMG workplan for 2020/21 for agreement.

#### Budget Modelling Work Plan for 2021

13 October 2020 9am	BMG 1 – Take stock meeting and planning for year
11 November 2020	Schools Forum Take update and proposed plan for agreement
26 November 2020 11am	BMG 2 –

	<p>Principles of addressing how the HNB uplift is used and risk analysis of options</p> <p>Requests for new funding from HNB – current project proposals and next steps</p> <p>2020/21 £600K AEP allocation – confirming recommendations</p> <p>Exceptional cohort funding uplift – budget modelling</p>
9 December 2020	Schools Forum
13 January 2020	Schools Forum
28 January 2021 – 11am	<p>BMG 3 –</p> <p>Top up funding review – impact of uplift and budget modelling</p> <p>Impact of special school/specialist placement numbers September 2021 – budget modelling</p>
24 February	Schools Forum – HNB budget setting
8 March 2021 – 11am	BMG 4 – AEP proposal for sustainable approach beyond 2020/21 and budget modelling of impact.
29 April – 11am	BMG 5 – Projection of demand for special school places, and support centres and independent placements September 2022
17 May – 11am	BMG 6 – Identified gaps in funding arrangements, including review of health arrangements
16 June	Schools Forum