

Report to Hartlepool Schools' Forum 17 January 2019
From Mark Patton (Assistant Director – Education)

Item 5: High Needs Block Update 2019/20

1. Introduction

- 1.1 The purpose of the report is to provide an update for the High Needs Block (HNB) for 2019/20 since the reports in October and November 2018.

2. Background

- 2.1 Updated High Needs Block funding allocations for 2019/20 were published on 17 December 2018 and included a late decision by government to provide additional funds for special needs in both 2018/19 and 2019/20. Final allocations are subject to change depending on volumes of pupils accessing provision outside of their home authority.
- 2.2 Alongside the notification of updated allocations, local authorities (including Hartlepool) who have submitted a disapplication request for transfer of funds from the Schools Block have been asked to reconsider their request in light of the revised funding. Each council affected must notify the Secretary of State about their revised disapplication request by 15 January 2019.

3. Revised HNB Budget

- 3.1 The table below details the indicative funding information reported to Schools' Forum and the changes to the allocations published in December 2018:

High Needs Block Funding 2019/20	Indicative Allocation £m	Dec 18 Allocation £m	Change to Schools' Forum Reporting £m
ESFA Funding	10.931	11.172	+0.241
Less Recoupment amounts paid directly to academies/providers	(2.216)	(2.048)	+0.168
Total High Needs Block 2019/20	8.715	9.124	+ 0.409

- 3.2 The increased funding of £0.241m before recoupment is made up of the additional funding announcement of £0.209m plus £0.032m linked to an increase of eight pupils in special schools at the October 2018 census.

- 3.3 The amounts paid directly to academies and providers (known as recoupment) has been confirmed as £2.048m in the December allocation update. This increases the funding retained by the local authority by £0.168m from the indicative figures reported to Schools' Forum.
- 3.4 A reminder of the indicative budget requirement for 2019/20 is provided in the table below:

High Needs Block Budget Requirement 2019/20		£m
Place Funding - Maintained		1.426
Independent School Fees		2.460
Out of Authority Top-ups		0.405
Top-ups and Support		4.267
Post-16 Top-ups		0.720
High Needs Services		0.467
Total Budget		9.745

- 3.5 The revised shortfall in projected expenditure for 2019/20, following the updated allocations published on 17 December 2018, is **£0.621m**. A disapplication request was submitted to the Secretary of State to transfer £1.030m from the Schools Block. The request will now be reduced to £0.621m to take account of the increased allocation of £0.409m for Hartlepool in 2019/20.

4. Conclusions

- 4.1 Updated HNB allocations were announced on the 17 December 2018. Taking into account this additional allocation and confirmation of the recoupment amount, the HNB has increased by **£0.409m** from the amount reported to Forum.
- 4.2 The disapplication request submitted to the Secretary of State to transfer £1.030m from the Schools Block will be reduced to **£0.621m**.
- 4.3 The £0.409m will remain in the Schools Block and will be disbursed through the formula. Revised budget shares will be reported to a future Forum.

5. Recommendations

- 5.1 Schools' Forum members are recommended to note the contents of the report.