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**Agenda Item No.6 (n)**

**DERBYSHIRE COUNTY COUNCIL**

**CABINET**

**16 March 2020**

**Report of the Executive Director for Children's Services**

**HIGH NEEDS BLOCK FUNDING SETTLEMENT 2020-21  
(YOUNG PEOPLE)**

**1. Purpose of the Report**

To inform Cabinet of the High Needs Block (HNB) settlement of the Dedicated Schools Grant for 2020-21 and seek approval to its allocation.

**2. Information and Analysis**

**2.1 High Needs Settlement**

Details of LAs' 2020-21 high needs allocations were published on 19<sup>th</sup> December 2019. Derbyshire's high needs funding will increase by £9.799m (+14%) from £69.972m to £79.771m, a summary of the allocation is provided in Appendix 1. The increase is slightly greater than expected due to a higher number of pupils in special school provision.

The additional funding, which is substantial, is largely driven by increased national formula multipliers and provides scope to address at least some of the pressures currently facing the Authority, schools and providers.

**2.2 High Needs Places**

There are two types of places, the first is pre and post 16 SEN places in academies and post 16 places in LA maintained mainstream schools and special schools, college places and post 16 Charitable and Commercial Providers (CCPs). These are all funded by the Education and Skills Funding Agency (ESFA) by deducting monies from LAs' gross HNB allocations. The second type covers pre 16 places in LA special schools, Enhanced Resource provision in LA maintained schools and LA Pupil Referral Units.

Work has been ongoing for several weeks with providers to establish the number of places required. As a result of this work the places which the LA expects to fund from the gross HNB are shown in Appendix 2. The total cost is estimated to be £14.672m, an increase of £0.314m compared with 2019-20 with the majority of the increase being for additional places in LA special school provision.

### **2.3 Top up funding [also known as Element 3]**

These sums, which are over and above the place values, are paid to providers for children and students for which the LA is the “home” Authority. Top up rates vary depending on the type of institution and the individual child’s needs being met

Mainstream schools receive top up funding for children supported either by an Education Health and Care Plan (EHCP) or Graduated Response for an Individual Pupil (GRIP) arrangement. It is proposed that the funding rates associated with these plans be increased by 3% from April to cover the costs of inflation, including a potential increase in the employer’s superannuation contribution.

Special schools, pupil referral units and enhanced resource schools receive Element 3 funding on top of their place led resources. It is proposed that these funding rates be increased by 5%, details of the current and proposed rates are set out in Appendix 3.

The percentage increase is higher than for mainstream schools as it recognises that a significant proportion of these institutions’ resources is derived from the number of places. In 2020-21 each of these places will continue to be funded at the nationally-set £10,000 rate with no increase for inflation.

Element 3 payments will also be required for Derbyshire SEND children attending schools in other LAs as well as independent and non-maintained provision.

The estimated cost of top ups is summarised in Table 1 below.

**Table 1 – Estimated Element 3 top ups 2020-21**

Item	£
Early years	516,600
Primary schools and academies	9,274,600
Secondary schools and academies	6,936,700
Post 16 Colleges and ESPs	3,846,600
Special schools and academies	15,035,500

PRUs incl SEN	1,992,800
Other LA, Ind. & Non Maintained Special Schools	10,800,000
Contingency	235,800
<b>Total</b>	<b>48,638,600</b>

## 2.4 High Needs Services and other budgets

In addition to the monies delegated to providers in 2.2 and 2.3 above, funding is held centrally to enable some services to be free to schools and academies at the point of delivery. These central budgets also fund a range of other costs including contingencies, contributions to LA-funded services e.g. education psychology services, contributions to high cost complex placements and some limited transport costs. The estimated allocations for 2020-21 total £16.460m, figures for each service area are set out in Appendix 4.

Included within the total spend is a high needs contingency of £0.500m, an increase of £0.150m on the budget for 2019-20. The increase will provide greater scope for supporting schools with significant numbers of children with either an EHCP or GRIP, an issue which has been discussed recently at Council. A report on the proposed allocation of this fund will be provided to Cabinet early in 2020-21.

## 2.5 Summary of allocations

The total allocations in this report would fully allocate the high needs block grant for 2020-21.

**Table 2 – Summary of allocations**

<b>Budget</b>	<b>£m</b>
Places - Appendix 2	14.672
Top ups – section 2.3.	48.639
Centrally held budgets section 2.4/Appendix 4	16.460
Total budgets	79.771
HNB grant - Appendix 1	79.771
Balance	-

## 2.6 Special Schools De-delegation

Funding in respect of redundancy costs and services previously funded by the Education Services Grant (ESG) have been top-sliced from LA mainstream schools' budgets. With regard to the equivalent services for LA special schools, decisions on whether or not to top-slice is a matter for the special school LA-maintained sector representative on the Schools Forum. The proposed top-slice rates for special schools for 2020-21 are set out in Table 3.

**Table 3 – Top-slice charges for Special Schools 2020-21**

	Per Pre 16 Place		
Sector/multiplier	Redundancy	Frmr ESG Services	Total
Multiplier	£28.90	£20.55	£49.45

At the meeting of the Schools Forum in June 2019, the special school representative agreed that funding should be top-sliced for their sector for 2020-21. The decision to accept responsibility for costs funded from top-sliced resources is a matter for Cabinet. It is recommended that Cabinet agrees to the Forum's request for 2020-21 in respect of special schools.

### **3. Other Considerations**

In preparing this report, the relevance of the following factors has been considered: - prevention of crime & disorder, equality of opportunity, and environmental, health, social value, human rights, human resources, property and transport considerations.

### **4. Background Papers**

Files held within Children's Services Finance.

### **5. Key Decision**

Yes.

### **6. Call-in**

Is it required that the call-in period be waived in respect of the decisions being proposed within this report?      No

### **7. Officer's Recommendations** That Cabinet considers this report and:

- (i) Notes the High Needs Block settlement for 2020-21;
- (ii) Agrees the places to be funded as set out in Appendix 2;

- (iii) Approves the top up budgets in section 2.3 and the associated top up rates in Appendix 3;
- (iv) Approves the centrally held budgets in Appendix 4;
- (v) Notes that a report on the allocation of the high needs contingency budget will be presented to a future meeting of Cabinet; and
- (vi) Agrees to top-slice funding for LA maintained special schools in respect of redundancy costs and former ESG funded services as set out in section 2.6.

**Jane Parfremment**  
**Executive Director for Children's Services**

**Derbyshire's HNB Grant 2020-21 settlement**

**Appendix 1**

	2020-21	2020-21	2020-21		2019-20	2019-20	2019-20
	Count	Multiplier	Allocation		Count	Multiplier	Allocation
	£	£	£m		£	£	£m
Population aged 2-18	145,998	155.85	22.754		145,415	117.17	17.038
Health & Disability – No. children with bad health	670	4,145.10	2.777		670	3,086.40	2.068
Health & Disability – No. children claiming DLA	5,527	651.95	3.603		5,250	509.71	2.676
Deprivation – Free school meals (current)	16,744	286.30	4.794		13,609	245.33	3.339
Deprivation –*IDACI Band F	15,404	45.20	0.696		15,220	34.04	0.518
Deprivation – IDACI Band E	7,618	58.79	0.448		7,604	44.21	0.336
Deprivation – IDACI Band D	8,939	80.24	0.717		8,964	60.30	0.541
Deprivation – IDACI Band C	8,430	85.87	0.724		8,378	64.50	0.540
Deprivation – IDACI Band B	8,182	94.01	0.769		8,172	70.63	0.577
Deprivation – IDACI Band A	766	126.74	0.097		780	95.58	0.075
Low Attainment Key Stage 2	1,384	2,590.23	3.585		1,426	1,761.36	2.512
Low Attainment Key Stage 4	1,842	1,904.34	3.508		1,824	1,446.66	2.639
Historic spend	-	-	33.0320		-	-	33.032
Funding floor	-	-	0.000		-	-	0.617
Hospital Education	-	-	0.055		-	-	0.050
Basic entitlement	1,084	4,000.00	4.336		984.5	4,000.00	3.938
Additional high needs allocation 2019-20			0.000				1.600
Total pre import/export adj.			81.895				72.096
Import/export adjustment	-354	6,000.00	-2.124		-354	6,000.00	-2.124
Total High Needs Block			<b>79.771</b>				<b>69.972</b>
Increase on 2019-20 (£m)			<b>+9.799</b>				

\* IDACI – Income Deprivation Affecting Children Index

High Needs Places 2020-21			Appendix 2						
DfE	School	Type	Places 2019-20		Places 2020-21		Budget		Change
			April	Sept	April	Sept	2019-20	2020-21	£
<b>ERS</b>									
2025	SPRINGFIELD JUNIOR	Academy	12.00	8.00	8.00	8.00	58,000	48,000	-10,000
2026	NEW WHITTINGTON PRIMARY	Academy	10.00	9.00	9.00	9.00	56,500	54,000	-2,500
2036	DUNSTON PRIMARY & NURSERY ACADEMY	Academy	6.00	6.00	6.00	6.00	36,000	36,000	0
2037	LANGLEY MILL ACADEMY	Academy	5.00	6.00	6.00	6.00	33,500	36,000	2,500
2116	ALDERCAR INFANT AND NURSERY	Academy	8.00	8.00	8.00	6.00	48,000	41,000	-7,000
4004	OUTWOOD ACADEMY NEWBOLD	Academy	16.00	16.00	16.00	16.00	96,000	96,000	0
4052	THE LONG EATON	Academy	10.00	11.00	11.00	11.00	63,500	66,000	2,500
4500	QUEEN ELIZABETH'S GRAMMAR	Academy	4.00	0.00	0.00	0.00	10,000	0	-10,000
5410A	THE PINGLE (AREA)	Academy	29.00	29.00	29.00	29.00	174,000	174,000	0
5410C	THE PINGLE (AUTISTIC)	Academy	15.00	15.00	15.00	15.00	90,000	90,000	0
4111	HOPE VALLEY (POST 16 ONLY)	Academy	22.00	22.00	22.00	18.00	132,000	116,000	-16,000
2011	BRAMPTON PRIMARY	Maintained	14.00	14.00	14.00	14.00	84,000	84,000	0
2013	CHAPEL-EN-LE-FRITH C E (VC) PRIMARY	Maintained	19.00	19.00	19.00	19.00	114,000	114,000	0
2190	PILSLEY PRIMARY (CHESTERFIELD)	Maintained	9.00	9.00	9.00	10.00	54,000	57,500	3,500
2268	WHALEY BRIDGE PRIMARY	Maintained	10.00	10.00	10.00	8.00	60,000	53,000	-7,000
2333	HILLTOP PRIMARY	Maintained	5.00	5.00	5.00	5.00	30,000	30,000	0
2356	ELMSLEIGH INFANT AND NURSERY	Maintained	16.00	16.00	16.00	16.00	96,000	96,000	0
4019	CHAPEL-EN-LE-FRITH HIGH	Maintained	36.00	34.00	34.00	34.00	209,000	204,000	-5,000
4074	THE WILLIAM ALLITT	Maintained	3.00	1.00	1.00	0.00	11,000	2,500	-8,500
4089B	ALDERCAR COMM. LANG COLLEGE (HI)	Maintained	9.00	10.00	10.00	8.00	57,500	53,000	-4,500
4089D	ALDERCAR COMM. LANG COLLEGE (PHYS)	Maintained	0.00	1.00	1.00	1.00	3,500	6,000	2,500
4173	TIBSHELF COMMUNITY	Maintained	17.00	19.00	19.00	18.00	109,000	110,500	1,500
	<b>Total ERS</b>		<b>275.00</b>	<b>268.00</b>	<b>268.00</b>	<b>257.00</b>	<b>1,625,500</b>	<b>1,567,500</b>	<b>-58,000</b>
<b>Special</b>									
7001	Holbrook	Academy	120.00	120.00	120.00	127.00	1,200,000	1,240,833	40,833
7006	Ashgate Croft	Maintained	138.00	139.00	139.00	139.00	1,385,833	1,390,000	4,167
7014	Bennerley Fields	Academy	87.00	88.00	88.00	88.00	875,833	880,000	4,167
7017	Peak	Academy	52.00	55.00	55.00	60.00	537,500	579,167	41,667
7019	Stanton Vale	Academy	85.00	85.00	85.00	93.00	850,000	896,667	46,667
7000	Holly House	Maintained	43.00	43.00	43.00	43.00	430,000	430,000	0
7005	Brackenfield	Maintained	72.00	72.00	72.00	82.00	720,000	778,333	58,333
7009	Swanwick Sports	Maintained	82.00	82.00	82.00	82.00	820,000	820,000	0
7012	Stubbin Wood	Maintained	132.00	135.00	135.00	150.00	1,337,500	1,437,500	100,000
7018	Alfreton Park	Maintained	85.00	85.00	85.00	87.00	850,000	861,667	11,667
	<b>Total Special</b>		<b>896.00</b>	<b>904.00</b>	<b>904.00</b>	<b>951.00</b>	<b>9,006,667</b>	<b>9,314,167</b>	<b>307,500</b>
<b>PRU</b>									
1106	South Derbyshire	Academy	16.00	16.00	16.00	26.00	160,000	218,333	58,333
1102	Amber Valley	Maintained	156.00	156.00	156.00	156.00	1,560,000	1,560,000	0
1111	North East Derbyshire	Maintained	100.00	100.00	100.00	100.00	1,000,000	1,000,000	0
	<b>Total PRU</b>		<b>272.00</b>	<b>272.00</b>	<b>272.00</b>	<b>282.00</b>	<b>2,720,000</b>	<b>2,778,333</b>	<b>58,333</b>

High Needs Places 2020-21			Places 2019-20		Places 2020-21		Budget		Appendix 2
DfE	School	Type	April	August	April	August	2019-20	2020-21	Change
Post 16									£
4000	SWANWICK HALL	Academy	1.00	1.00	1.00	0.00	6,000	2,000	-4,000
4004	OUTWOOD ACADEMY NEWBOLD	Academy	0.00	0.00	0.00	1.00	0	4,000	4,000
4034	TUPTON HALL	Academy	2.00	0.00	0.00	0.00	4,000	0	-4,000
4052	THE LONG EATON	Academy	1.00	1.00	1.00	1.00	6,000	6,000	0
4111	HOPE VALLEY COLLEGE	Academy	0.00	0.00	0.00	0.00	0	0	0
4196	BROOKFIELD COMMUNITY	Academy	2.00	1.00	1.00	1.00	8,000	6,000	-2,000
4500	QUEEN ELIZABETH'S GRAMMAR	Academy	0.00	0.00	0.00	3.00	0	12,000	12,000
5400	NETHERTHORPE	Academy	3.00	0.00	0.00	1.00	6,000	4,000	-2,000
5401	THE ECCLESBOURNE	Academy	2.00	0.00	0.00	6.00	4,000	24,000	20,000
5408	HEANOR GATE SCIENCE COLLEGE	Academy	1.00	0.00	0.00	0.00	2,000	0	-2,000
5409	FRIESLAND	Academy	1.00	0.00	0.00	0.00	2,000	0	-2,000
5410	THE PINGLE	Academy	4.00	2.00	2.00	2.00	16,000	12,000	-4,000
5413	ST MARY'S CATHOLIC HIGH	Academy	3.00	2.00	2.00	2.00	14,000	12,000	-2,000
4089	ALDERCAR HIGH	Maintained	24.00	25.00	25.00	13.00	148,000	102,000	-46,000
4174	HIGHFIELDS	Maintained	1.00	3.00	3.00	2.00	14,000	14,000	0
4191	GLOSSOPDALE COMMUNITY COLLEGE	Maintained	1.00	1.00	1.00	1.00	6,000	6,000	0
4505	ANTHONY GELL	Maintained	2.00	3.00	3.00	2.00	16,000	14,000	-2,000
4509	DRONFIELD HENRY FANSHAWE	Maintained	0.00	1.00	1.00	2.00	4,000	10,000	6,000
4510	BUXTON COMMUNITY	Maintained	0.00	1.00	1.00	0.00	4,000	2,000	-2,000
5404	BELPER SCHOOL & SIXTH FORM CENTRE	Maintained	0.00	0.00	0.00	0.00	0	0	0
5411	LADY MANNERS	Maintained	2.00	1.00	1.00	3.00	8,000	14,000	6,000
	<b>Total Post 16</b>		<b>50.00</b>	<b>42.00</b>	<b>42.00</b>	<b>40.00</b>	<b>268,000</b>	<b>244,000</b>	<b>-24,000</b>
	<b>FE</b>								
	Chesterfield College	FE	67.00	67.00	67.00	67.00	402,000	402,000	0
	University of Derby	FE	46.00	61.00	61.00	61.00	336,000	366,000	30,000
	<b>Total FE</b>		<b>113.00</b>	<b>128.00</b>	<b>128.00</b>	<b>128.00</b>	<b>738,000</b>	<b>768,000</b>	<b>30,000</b>
	<b>Total DCC</b>		<b>1,606.00</b>	<b>1,614.00</b>	<b>1,614.00</b>	<b>1,658.00</b>	<b>14,358,167</b>	<b>14,672,000</b>	<b>313,833</b>
	File MTFP 2020-21 to 2022-23 version 17 for March Cabinet.xls								



<b>Special School Profile</b>	<b>Descriptor</b>	<b>Proposed 2020-21 £</b>	<b>Actual 2019-20 £</b>
MSI	Multi-Sensory Impairment	51,726.12	49,262.97
ECB	Extremely Challenging Behaviour	51,726.12	49,262.97
HD	High Dependency	25,362.63	24,154.89
SEMHD	Social Emotional & Mental Health Difficulties	25,362.63	24,154.89
ELD	Extreme Learning Difficulty	18,189.21	17,323.06
SEBD	Severe Emotional & Behavioural Difficulty	17,045.64	16,233.94
ECOM	Extreme Communication Difficulty	16,195.78	15,424.55
COM	Autism/Communication Difficulty	11,837.92	11,274.21
EBD	Emotional & Behavioural Difficulty	11,566.58	11,015.79
SSI	Severe Sight Impairment	6,139.61	5,847.25
PHYS	Severe Physical Impairment	6,139.61	5,847.25
SHI	Severe Hearing Impairment	6,139.61	5,847.25
SLD	Severe Learning Difficulty	6,139.61	5,847.25
OLD	Other Learning Difficulty	1,798.04	1,712.42

<b>PRU Profile</b>	<b>Proposed 2020-21 £</b>	<b>Actual 2019-20 £</b>
Kirk Hallam	12,732	12,126
Sawley	2,303	2,193
Bennerley	10,000	9,524
Alternative Provision Team	3,314	3,156
Newhall	19,448	18,522
Barrow Hill	7,518	7,160
Hasland	3,033	2,889
Chapel	5,114	4,870
Buxton	21,851	20,810
<b>ER School Profile</b>	<b>£</b>	<b>£</b>
A – Area ERS (W' Bridge Prim, Chapel High, William Allitt, Glossopdale, Pingle, Hope Valley, QEGS)	6,849.26	6,523.10
B – Deaf/Hearing Impaired ERS (Aldercar Inf, Langley Mill Jnr, New Whittington Prim, Aldercar Language College)	8,248.53	7,855.74
C – Autism ERS Brampton Prim, Chapel Prim, Pilsley Prim, Springfield Jnr, Elmsleigh Inf, Tibshelf., Pingle, Outwood Newbold, Long Eaton	9,564.08	9,108.65
D – Physical Impairment ERS (Dunston Primary, Aldercar Language College, Hilltop)	20,731.70	19,744.48

Proposed centrally held HNB budgets 2020-21

Appendix 4

	<b>2020-21 Budget</b>
<b>Budget</b>	<b>£</b>
Access and inclusion	644,000
Behaviour Support	1,283,728
Positive Play	208,657
Derbyshire Nurture	309,613
Integrated Pathways	3,822,979
Excluded Pupils claw-back	-436,000
Hospital tuition	55,000
Virtual school	1,028,699
PRU transport (PRU to provision)	505,273
Contribution to education psychology service	400,000
Specialist SEN services	7,269,383
Vulnerable Children's Fund/SEN contingency	700,000
Other	589,000
Contribution to SEN transport	80,000
<b>Total</b>	<b>16,460,332</b>