

# **Nottinghamshire's High Needs Block 2023/24 Budget**

Presentation to Early Years  
and Schools Forum



**Nottinghamshire  
County Council**

# Overview and ESFA Guidance

High needs funding is provided to local authorities through the high needs block of the dedicated schools grant (DSG). Local authorities must spend that funding in line with the associated conditions of grant, and [School and Early Years Finance \(England\) Regulations](#)

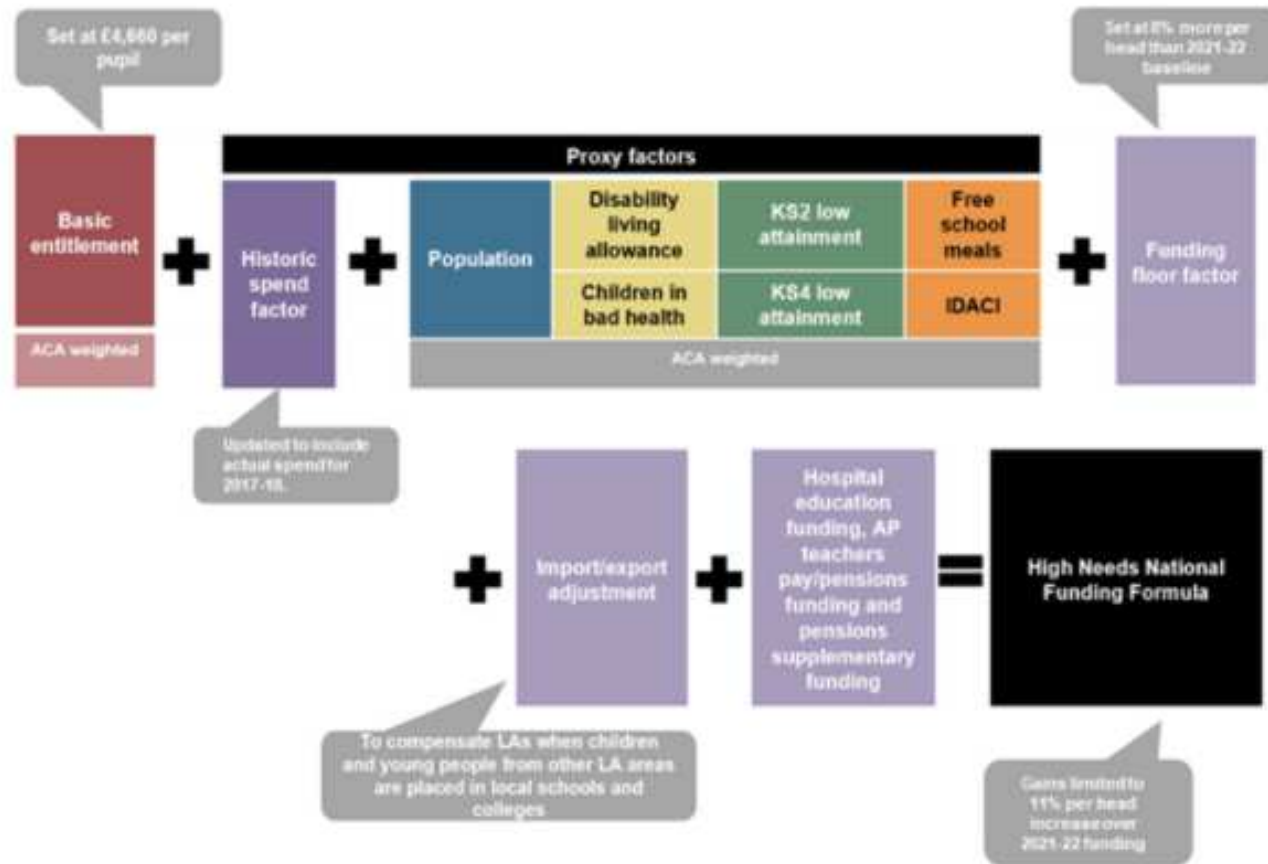
The high needs funding system supports provision for children and young people with special educational needs and disabilities (SEND) from their early years to age 25, enabling both local authorities and institutions to meet their statutory duties under the [Children and Families Act 2014](#).

High needs funding is also intended to support good quality AP for pre-16 pupils who, because of exclusion, illness or other reasons, cannot receive their education in mainstream or special schools.

The High Needs Block can also fund high needs services delivered directly by the authority or under a separate funding agreement with institutions (including funding devolved to institutions), as permitted by regulations.

# ESFA Funding of the High Needs Block

Since 2018/19 the ESFA has calculated Local Authorities High Needs Block using a national funding formula:



# Nottinghamshire's Statistical Neighbours' High Needs Blocks

Local Authority	Mid-2023 age 2-18 ONS Population Estimate	2023/24 Published High Needs Block before import/export adjustment (£ millions)	Published High Needs Block per 2-18 population
Kent	340,909	311.985	£915.16
Cheshire West And Chester	68,575	56.547	£824.60
Warwickshire	116,385	94.682	£813.53
Lancashire	245,919	193.394	£786.41
Staffordshire	165,383	127.037	£768.14
Derbyshire	149,716	111.256	£743.11
Essex	308,012	226.719	£736.07
Worcestershire	117,181	86.087	£734.65
Nottinghamshire	165,843	114.414	£689.89



# What would this mean for Nottinghamshire's High Needs Budget ?

Local Authority	Notts Mid-2023 age 2-18 ONS Population Estimate	Published High Needs Block per 2-18 population	If Notts were Funded at the same rate (£ Millions)	Diff to Notts Actual Funding (£ millions)
Kent	165,843	£915.16	151.772	37.358
Cheshire West And Chester	165,843	£824.60	136.755	22.341
Warwickshire	165,843	£813.53	134.918	20.504
Lancashire	165,843	£786.41	130.421	16.007
Staffordshire	165,843	£768.14	127.391	12.976
Derbyshire	165,843	£743.11	123.240	8.826
Essex	165,843	£736.07	122.072	7.658
Worcestershire	165,843	£734.65	121.836	7.422
Nottinghamshire	165,843	£689.89	114.414	0.000



# ESFA Funding of Nottinghamshire's High Needs Block

Nottinghamshire's published High Needs Block for 2023/24 is £114.414 million. This represents an increase of £11.510 million against the 2022/23 allocation of £102.904 million.

Factor	Pupils	Funding £ millions
Basic Entitlement	1,405	6.576
Historic Spend Factor		31.045
Population Factor	166,566	39.458
FSM Factor	26,827	7.303
IDACI Factor	59,764	6.566
Bad Health Factor	820	5.255
Disability Factor	7,591	6.243
KS2 Low Attainment Factor	1,069	4.933
KS4 Low Attainment Factor	1,462	4.632
Funding Floor Factor		0.000
<b>Funding Allocation Before Gains Cap</b>		<b>112.011</b>
Gains Cap Adjustment (11% Gains)		0.000
<b>Funding Allocation after Gains Cap</b>		<b>112.011</b>
Import/ Export Adjustment	-416	-2.493
Pay/Pensions supplementary funding		0.043
Additional Funding for new and growing schools		0.012
Additional High Needs funding		4.841
<b>Published High Needs Allocation 2023/24</b>		<b>114.414</b>



# **Import / Export Adjustment**

## **£0.250 million**

The ESFA treat pupils attending any form of Independent Specialist Provision (ISP) as exports. The place-funding element of the cost of placements is allocated directly by the ESFA to these institutions.



# Place Funding for AP, CCP and FE providers £1.222 million

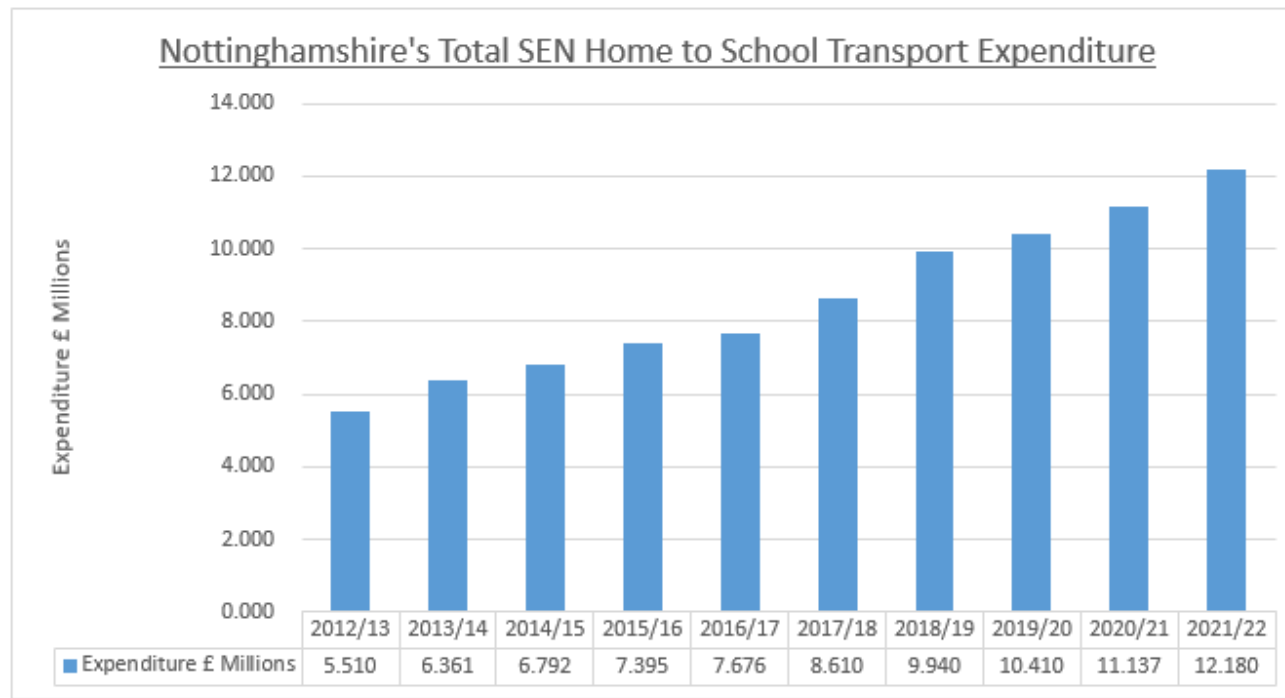
- The ESFA recoup place funding from Nottinghamshire's High Needs Block to directly fund places in AP Academies , Commercial and Charitable Providers and Further Education Colleges that are based within Nottinghamshire.
- The number of places that the ESFA to recoup is subject to the annual High Needs Place return that is completed by Nottinghamshire County Council following discussions with providers.
- A breakdown of Nottinghamshire's recouped places is below:
  - £0.050 million for AP Free School Places
  - £1.172 million for Further Education Places – West Notts College and Skills For Employment.



# SEN Home to School Transport

## £1.764 million

- The High Needs block of the Dedicated Schools Grant annually contributes £1.764 million to Nottinghamshire's SEND home to school transport expenditure.
- This figure was agreed by the early years & schools forum in January 2011 and due to constraints imposed by the ESFA via the section 251 budget return, it has not been increased since despite transport cost increasing.
- The total expenditure on SEND Home to School transport in 2022/23 is forecast to be £13.5 million, with the shortfall funded by the Council.



# Nottinghamshire's Indicative Use of The High Needs Block 2023/24

Service	Budget Allocation 2022-23	Provisional Budget Allocation 2023-24
Special School Budgets (Including Academy place funding paid directly by ESFA)	30,407	34,805
Special School Therapies and Equipment	850	850
SEND Improvement	-	144
Place Funding for AP, CCP and FE providers	1,150	1,222
Mainstream Enhanced Provision & Special School Hub	766	1,276
Inclusion Services	3,866	4,067
Devolved Partnership Funding	5,507	6,608
Partnership Team	915	1,157
SEN Home to School Transport	1,764	1,764
Post 16 High Needs (outside of special schools and academies)	7,100	8,900
Independent Non Maintained Schools and Alternative Provision (EHC Plan)	26,288	26,405
Independent Non Maintained Schools and Alternative Provision (Non EHC Plan)	1,433	2,000
High Level Needs (HLN)	6,385	7,523
Additional family needs (AFN)	9,494	12,500
Family Network Funding (FNF)	1,367	1,503
Health Related Education Team	1,059	1,191
Physical Disability unit and Residential (PDSS)	377	528
SEND Divisional Costs	976	1,067
Import /Export	250	250
Repayment of HNB Overspend and contribution to reserve	2,950	-
Contingency Budget	-	654
<b>Total Allocation</b>	<b>102,904</b>	<b>114,414</b>



# Special Schools (maintained & academies)

## Budgets £34.805 million

- The DFE asked us to pass on a minimum of 3% (MFG) increase in funding of the place and top up funding to all special schools. We wanted to only apply these increases to our standard rate schools (in the interest of equality), We worked with the DFE to try and achieve this but it became apparent that our request would fail.
- Utilising the extra funding from the initial high needs increase and those announced in the Autumn statement we have applied an even larger increase to our standard rate (between 5.95% and 6.98% MFG\*) to match to our second largest outlier. The two largest outliers have had a 3% MFG increase applied to their rates.
- We now have 10 of our 11 special schools funded on the same standard rate.

	HN1 (£)	HN2 (£)	HN3 (£)	HN4 (£)	HN5 (£)
Standard Rate	8,002.99	10,403.89	13,605.09	20,007.48	28,010.47
Fountaindale	9,244.38	12,017.69	15,715.45	23,110.95	32,355.33

- The top-up rate for the highest outlier is still 15.5% above the standard rate.
- The equality of top-up rates across our portfolio of special schools remains part of our strategy. However, our ability to achieve this will be impacted by further MFG restrictions placed on the Local Authority, future funding decisions and price inflation and demographic pressures that remain in the high needs block.

# **Special Schools (maintained & academies)**

## **Budgets £34.805 million**

- As per the January 2023 moderation process Nottinghamshire County Council will be funding 1,208 pupils in our Special Schools and Academies in 2023/24 using budget of £31.515 million. This represents an additional 38 places from those funded for 2022/23.
- Special School budgets are made up of Core (place) funding and Top up Funding.
- Core place funding is £10,000 per pupil (set by the DFE and was part of the MFG calculation so effectively it has increased)
- Top up funding is agreed per pupil based on their HN banding (1-5). Pupil's HN bandings are agreed with schools during the annual moderation process.
- Schools may also be allocated a 'setting factor' if they meet NCC's split site criteria.
- The Teachers Pay and Pensions Grants will be paid separately and is calculated on a per place basis.
- In December, the DFE increased our High needs block further. There was additional criteria that we need to apply to this funding, In the form of a 3.4% lump sum that would be added to special schools budgets (Place and top-up only).

# **Special Schools (maintained & academies)**

## **Budgets £34.805 million**

- Nottinghamshire County Council plans to create additional places across our special schools and academies within year at a cost of £0.925 million. The extra places created in NCC Special Schools and Academies will try to reduce the need to place children in higher cost Independent Specialist settings.
- We have established a satellite school at King Edward Primary (24 places), the cost of this resourced provision is £0.665m
- Nottinghamshire County Council pay top up funding for all pupils in our Special Schools and Academies. Where the child resides in another Authority NCC will recoup the funding from that Authority. Similarly, OLAs will charge NCC for our Children placed in their Special Schools. Nottinghamshire are currently a net 'exporter' of children (Budgeted £1.7 million).

# **Special School Therapies and Equipment £0.850 million**

This budget will be used for two purposes:

- (1) To provide funding for special schools to access additional funding for specialist equipment.
- (2) To provide a consistent streamlined and coordinated approach alongside the NHS

The therapy offer will:

- Improve the timescales for children and young people with SEND to access therapies.
- Reduce the number of requests for Independent Specialist educational settings due to improved access to therapies.
- Increase parental confidence in local specialist provision, as a result of accessing high quality therapies in a timely manner.
- Improve health and well-being and educational outcomes for children and young people with SEND as a result of improved access to therapies..
- Improve the Local Authority's success in defending decisions at First Tier SEND Tribunals.

# **Mainstream Enhanced Provision & Special School Hub £1.276 million**

- In order to maintain LA maintained places for children with SEND who require small group provision with high levels of support in Nottinghamshire, NCC has commissioned five secondary and one primary Enhanced Provision Units for pupils in mainstream schools.
- The budget allocated for each unit is equal to the cost of employing one teacher and two teaching assistants.
- In 2023/24 this budget will be increased to allow revenue funding to be allocated to create 4 further enhanced provision units. Bids from interested parties will be sought in the summer term.

# Devolved Partnership Funding

## £6.608 million

- Nottinghamshire County Council devolves funding to develop effective partnerships of schools with the aim of them working together to ensure that children with social emotional and mental health needs continue to be educated in Nottinghamshire's schools and are not permanently excluded.
- For 2023/24, the overall quantum of partnership funding to the Primary and Secondary devolved funding is increased by 10% permanently, and a further temporary additional 10% has been added to this budget in acknowledgement of the additional pressures that schools have been facing to support pupils with social emotional and mental needs post covid.
  - Multi School Partnerships - £0.379 million
  - Primary devolved funding - £0.961 million
  - Secondary devolved funding - £5.268 million



# **Partnership Team (inc. Primary SEMH)**

## **£1.157 million**

- This team works collaboratively with school partnerships and school and academy leaders to try to ensure that pupils with social emotional or mental health needs are kept in their educational placement and to limit the number of children excluded from education and placed in highly expensive alternative provision.
- Where pupils are permanently excluded this team co-ordinate the reintegration of pupils into new mainstream provision or commission alternative education provision.
- This team works jointly with the LA Commissioning Team to quality assure the educational offer provided by the alternative education approved providers..
- There are a significant number of pupils with SEND needs accessing education in alternative provision settings. Two new posts are going to be created within the Partnership Team to monitor the attendance, academic progress and safeguarding of these pupils already in place for excluded, Fair Access and LAC pupils.
- The LA staff team is early help and primary focussed in terms of school support but pressures on the secondary system mean that 2 new dedicated secondary SEMH Lead Officers are required in 2023.

# **SEND Improvement £0.144 million**

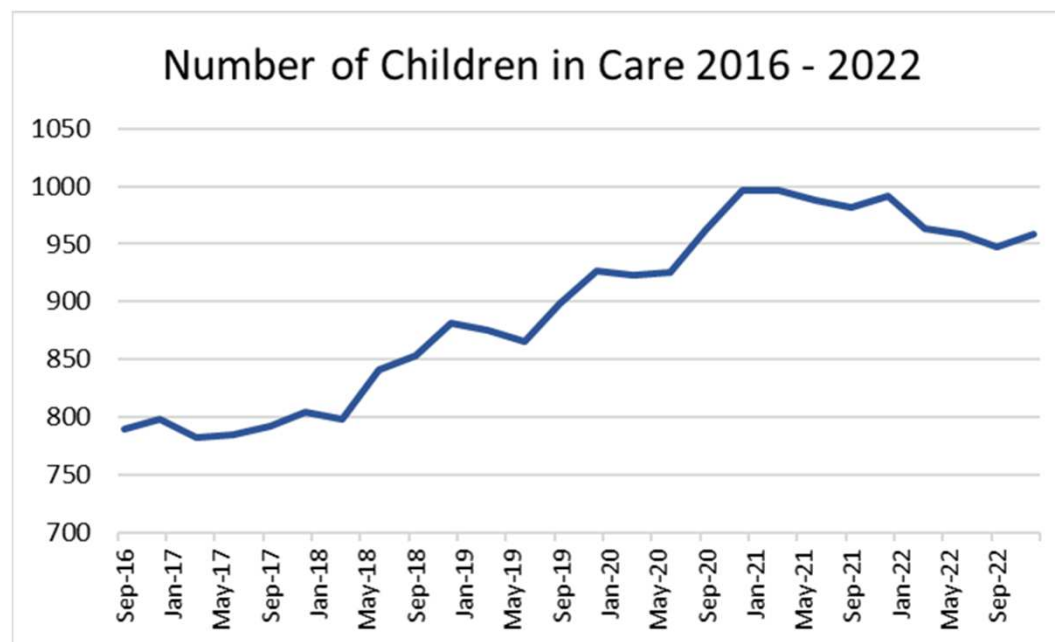
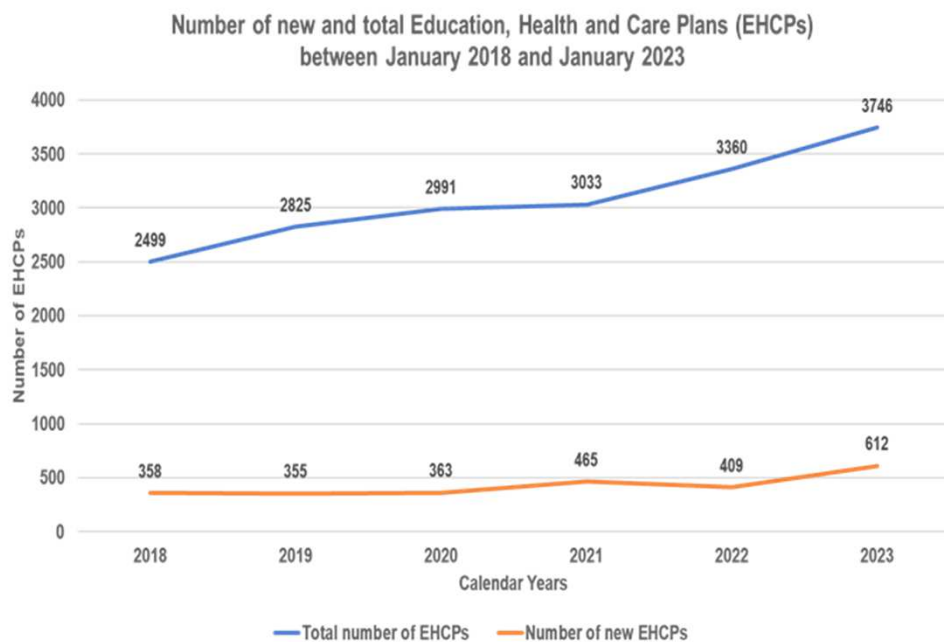
- To ensure that special mainstream schools and enhanced provision units are as well informed about good practice as possible Nottinghamshire employs a SEND Improvement Adviser who offers both support and challenge.
- This post also has responsibility for special school and specialist provision place planning and funding moderation.
- Since the covid lockdown schools have reported an increase in needs in terms of communication skills and literacy development. For the next two years two Education Improvement consultant posts will be funded to work with the SEND Improvement Adviser and the Education Improvement Adviser for Improving Educational Opportunities for All, to help schools to address these concerns and embed good practice.

# **Post 16 High Needs (outside of special schools and academies) £8.900 million**

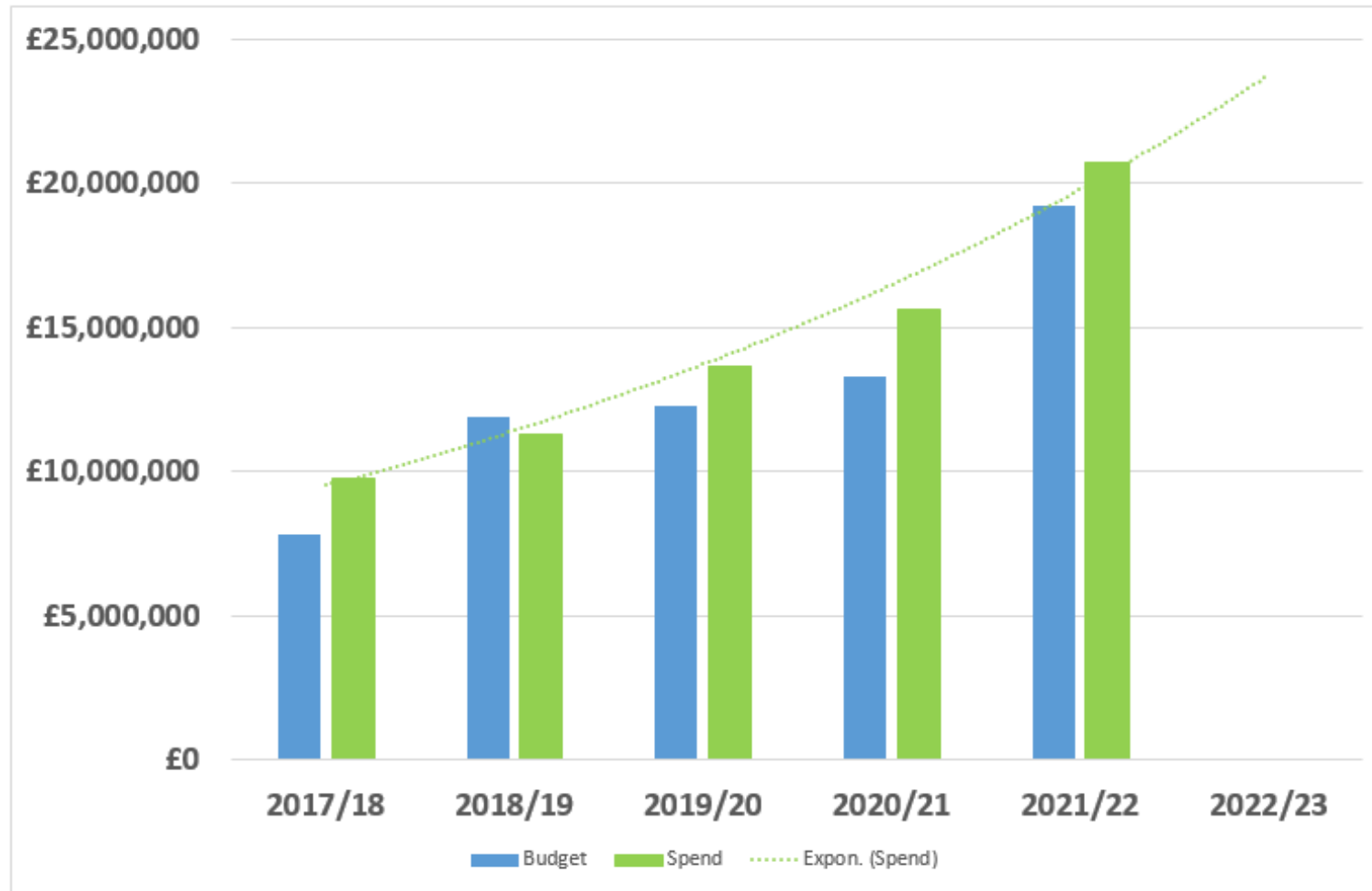
- This budget is used to pay for the education of pupils between the ages of 16 and 25 in Colleges and other FE providers.
- NCC works collaboratively with the provider to agree suitable study programmes for the young people receiving further education.
- The cost of further education to NCC has risen in recent years due to a combination of the trend for increasing numbers of young people accessing post 16 provision and the cost of education packages rising. There has also been an increase in the number of young people accessing bespoke provision through Educated Other Than in College (EOTAC) designation.
- Work is underway to attempt to reduce the average length of stay in post-16 education and to challenge individual programme and therapy costs, particularly in specialist settings. EOTAC packages are carefully monitored by dedicated staff to limit duration and support transition.
- SEND Employability £0.100m aimed at supporting young adults (16+, 18+) into employment through integrated employability pathways between schools and colleges.

# Independent Specialist Provision (EHC Plan and LAC) £26.405 million

- This budget pays for education provision for children with EHCPs and / or who are Looked After by the Local Authority and whose educational needs cannot be met in a mainstream setting.
- Funding can follow a child out of county if this is the most suitable provision, or if a child in care is placed out of county.
- Approval to spend the High Needs Budget on independent specialist provision placements is subject to case-specific scrutiny and oversight.



# Independent Specialist Provision (EHC Plan and LAC) £26.405 million



# **Independent Specialist Provision (Non EHC Plan) £2.000 million**

- This budget pays for provision for any child without an EHCP for whom the LA commissions alternative provision. This includes children and young people who have no school place and are not currently able to be placed as they have significant social emotional and mental health needs or pose a risk to others; those for whom Fair Access Panels have been unable to identify a place within a reasonable time; those with no school place and SEND needs that have not been clarified; those who have been permanently excluded, LAC pupils who need urgent education provision.
- Funding can follow a child out of county if the most suitable provision dictates.
- It should be noted that NCC consulted with schools during the Autumn term 2015 on a full cost recovery mechanism for exclusions from secondary schools. This was implemented in September 2016.
- There has been an increase to this budget of £0.567 million in recognition of the increased number of non EHCP pupils who have required the Local Authority to provide interim support since the coronavirus lock downs.

# **SEND Divisional Costs £1.067 million**

The cost of the commissioning and associated functions within the wider SEND team, together with the support staff associated with the services funded by the High Needs Block and those who are required for allocation of HLN, AFN, FNF and partnership funding to schools and Academies.

# **Health Related Education Team**

## **£1.191 million**

The Health Related Education Team provides short term education for pupils aged 5 – 16 who live in Nottinghamshire and who are temporarily unable to access their education for physical or mental health related reasons where they are hospitalised, or their school has not yet put in place appropriate provision to meet an unexpected need.

If the health condition is long term the Health Related Education Team provide support and guidance to schools about how to set up an appropriate personalised education pathway that will meet the pupil's needs and enable them to return to school led education provision.

Over the last year the number of mental health referrals has significantly increased and the existing team of staff do not have capacity to meet the current demand.



# **Physical Disability Specialist Service (PDSS) £0.528 million**

PDSS provides specialist advisory support and guidance to schools, pre-schools and post 16 educational settings to support the inclusion of pupils with significant physical disabilities and complex medical/health needs to access their educational setting, through:

- planning adaptations to buildings
- advising on and providing specialist equipment
- training and support to school staff, including training in safe manual handling

PDSS is managed by the Integrated Children's Disability Service. Its office and training facility is based on the Fountaindale Special School campus. An additional Safe Handling and Access Advisor will be established in 2023/24 in response to growing demand for the service. The £0.528m PDSS budget is made up as follows:

- £0.338m staffing and running costs
- £0.175m specialist seating and equipment
- £0.015m communication aids

In addition to the above, PDSS is required to generate £0.064m per annum from the marketing of its training.

# Inclusion Services

## £4.067 million

- The Schools and Families Specialist Services (SFSS) comprises of specialist teachers and teaching assistants who are qualified to work with children and young people with severe and complex special education needs. These include hearing and visual impairments as well as autism and learning difficulties. SFSS also provides training and resources to schools, which is intended to build and enhance their capacity to support children and young people in mainstream settings. Since 2019/20 the structure has also included 7 District SENCO posts. These posts were created as part of the response to the High Needs consultation in 2018/19. (The total DSG allocation for the service is £4.241 million of which **£3.684 million** is from the High Needs Block).
- SFSS also holds a budget for funding specialist equipment for children and young people with sensory (VI and HI) needs and additional ICT equipment to support access to the mainstream curriculum. (£0.08 million).
- A proportion of the overall Inclusion Services budget (£0.303 million) contributes to the Educational Psychology Service (EPS) budget and funds the post of Education Improvement Adviser (SEND) which sits within the Psychology Services group of services.

# **Additional family needs (AFN)**

## **£12.500 million**

- AFN funding is allocated to Families of Schools on a formula basis which takes account of the number of pupils and the number of schools in the Family, as well as a measure of levels of economic deprivation.
- AFN funding is used to pay for *additional* targeted provision for named individual pupils over and above the targeted individual provision which the school has put in place.
- Before a school can apply for AFN funding, they would need to be able to account for at least £6,000 of individual targeted provision for each pupil for whom they are requesting AFN funding.
- For 2023/24, the overall quantum of AFN funding is increased by £3m, equivalent to a 31.66% increase.
- It is anticipated that from 2024/25 the formula for the allocation of AFN funding to Families of Schools will reflect each Family of Schools' success in including pupils with SEND who live in their notional catchment area.

# Family Network Funding (FNF)

## £1.503 million

- FNF funding is allocated to Families of Schools on a formula basis which takes into account the number of schools in the Family.
- It is expected that a proportion of the FNF allocation is used to pay for tasks carried out by a Family SENCo (equivalent to at least 23 days over the year).
- In addition, FNF funding may be used to pay for:
  - SEND training and development
  - Providing support for pupils with complex needs in mainstream settings during transition.
  - Support with unexpected admissions, changes in need and to give extra flexibility in resourcing pupils with more complex needs.
- For 2023/24, the overall quantum of AFN funding is increased by 10%. Consideration will be given to whether the 23 days is sufficient for a Family SENCo to carry out the tasks required of them by the Local Authority, and this will inform the size of the FNF budget for the 2024/25 year.

# High Level Needs (HLN)

## £7.523 million

- As with AFN funding, HLN funding is used to pay for *additional* targeted provision for named individual pupils over and above the targeted individual provision which the school has already put in place.
- Again, as with AFN funding, before a school can apply for HLN funding, they would need to be able to account for at least £6,000 of individual targeted provision for each pupil for whom they are requesting HLN funding.
- In almost all cases, a school would not apply for HLN funding until it was able to demonstrate that provision costing **more than** £6,000 **plus** the highest level of AFN funding was needed in order for a named pupil to be able to access their educational entitlement. HLN funding typically replaces any AFN funding previously allocated to the school.
- HLN funding decisions are made by an HLN panel.
- For 2023/24, the overall quantum of HLN funding is increased by 10% enabling the values for HLN allocations to be increased
  - HLN 1 from £11,000 to £12,000
  - HLN 2 from £16,500 to £18,000
  - HLN 3 from £20,900 to £22,000
- An additional £0.500m has been allocated to the HLN budget as that there are more Nottinghamshire children with SEND educated in other Local Authority schools than there are other local authority children with SEND being educated in Nottinghamshire schools.

# Contingency Budget

## £0.654 million

Despite the large increases we have given to services and top-ups we have not allocated all the 2023-24 funding. We have therefore allocated this to a contingency fund due to various reasons listed below:

- Continued uncertainty around future funding levels.
- Two potential new special schools, if/when delivered funding needs to be available to fund the extra places.
- Potential changes regarding which services are rightly paid for from the High Needs Block, and which are rightly paid for from Local Authority budgets and any future impact on recharges.
- There continues to be some cross over work with LA budgets which are under pressure so there is some work to be undertaken in the new year that could increase recharges to the high need block.
- The demand remains high on independent placements but the capacity less so. If more places become available then the budget could be insufficient.
- Inflation rates remain very high.
- Outcome of joint area SEND inspection.
- Outcome of AP Free school bids.

# **Nottinghamshire Special Educational Needs and Disabilities (SEND) Policy (0-25 years) 2020-2023**

- Locality Working
- Partnerships
- Inclusion
- Strength based practice
- Responding to SEND review/consultation