

Schools Funding Forum 7th November 2019

ITEM 5

Subject Heading:

**High Needs Funding 2020-21 and Year
End Forecast 2019-20**

Report Author:

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Manager**

Eligibility to vote:

All school and academy members

SUMMARY

This report summarises the announcements of indicative DSG High Needs Block funding for financial year 2020-21 and provides a year end forecast of expenditure for 2019-20.

RECOMMENDATIONS

That the Schools Funding Forum:

- (i) notes the additional High Needs Block funding for financial year 2020-21
- (ii) notes the year forecast of expenditure for financial year 2019-20

REPORT DETAIL

1. Background

In 2018-19 the DfE implemented a National Funding Formula for the allocation to local authorities of high needs funding through the DSG although the funding has not kept pace with the increasing number of children with Education Health and Care Plans or the increased complexity of need.

Within the additional £2.6 billion to be added to the DSG in 2020-21 there is a £780 million additional to the national High Needs Block. The impact on Havering is shown below.

This report also includes a forecast of 2019-20 high needs expenditure against the funding available.

2. DSG High Needs Block 2020-21

Indicative funding for 2020-21 through the DSG High Needs Block has been announced by the DfE as shown in the table below with comparable data from 2019-20. The High Needs NFF uses 11 different factors but only the pupil population factor is shown below as, along with historic spend, this distributes the largest proportion of funding.

	Aged 2 – 18 Pupil Population Estimate	£	Increase
2020-21	56,908	29,404,318	
2019-20	55,566	25,332,390	
Difference	1,342	4,071,928	16.07%

This is the second highest percentage increase in London although, per pupil, Havering remains the lowest funded in London.

As shown below, Havering is currently spending approximately £3.5m above its allocation so the additional funding next year is unlikely to be available to fund new initiative or developments.

3. High Needs Forecast 2019-20

Appendix A shows the funding available for High Needs related expenditure in 2019-20 and the current forecast of expenditure across the range of provision within Havering. Added to the DfE funding allocation this year is £1.19 million, one-off funding from a DSG underspend carried forward from 2018-19.