



Havering
LONDON BOROUGH

Schools Funding Forum 23rd September 2021 ITEM 7

Subject Heading:

High Needs Funding 2021-22

Report Author:

**Nick Carter – Principal Finance Officer
(Schools)**

Eligibility to vote:

All school and academy members

SUMMARY

This report summarises the announcements of indicative DSG High Needs Block funding for financial year 2022-23.

RECOMMENDATIONS

That the Schools Funding Forum notes the additional High Needs Block funding for financial year 2022-23

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.

2. National funding formula allocations for 2022 to 2023

The full operational guidance can be found on the DfE website at:

<https://www.gov.uk/government/publications/high-needs-funding-arrangements-2022-to-2023/high-needs-funding-2022-to-2023-operational-guidance>

2022-23 is the third year of the Government's three year settlement. The national increase in high needs funding in 2022 to 2023 will be £780 million, or 9.6% compared to the amounts allocated in 2021 to 2022.

The funding floor factor in the high needs NFF for 2022 to 2023 will continue at 8% per head of 2 to 18 population. This is based on what local authorities received in high needs funding in 2021 to 2022.

The limit on gains, before the imposition of a cap, is set at 11%, again calculated on the basis of per head of population, and using the 2021 to 2022 funding baseline.

The historic spend factor has been updated for 2022 to 2023, to provide every local authority with a set percentage (50%) of their 2017 to 2018 spending on high needs, and is now based on the local authority's actual spend from 2017 to 2018 outturn data rather than planned spend as previously used.

3. DSG High Needs Block allocation 2022-23

Indicative funding for 2022-23 through the DSG High Needs Block has been announced by the DfE as shown in the table below with comparable data from 2021-22.

Funding factor	2022-23 £	2021-22 £	Change £	Change %
(A) Basic entitlement factor	2,109,083	2,048,505	60,578	3.0
(B) Historic spend factor	11,194,567	10,603,814	590,753	5.6
(C) Population factor	12,581,963	11,075,302	1,506,660	13.6
(D) FSM factor	2,117,116	1,850,498	266,618	14.4
(E) IDACI factor	2,243,173	1,956,690	286,483	14.6
(F) Bad health factor	1,637,830	1,452,054	185,776	12.8
(G) Disability factor	1,562,504	1,387,839	174,665	12.6
(H) KS2 low attainment factor	1,260,458	1,078,723	181,736	16.8
(I) KS4 low attainment factor	1,617,724	1,509,728	107,995	7.2
(J) Funding floor factor	0	39,033	-39,033	-100.0
(K) 2021-22 hospital education, AP teachers pay/pension and supplementary funding factor	135,746	138,549	-2,802	-2.0
(L1) Import/export adjustment	-1,374,000	-1,320,000	-54,000	4.1
(L2) New and growing special free schools	24,000	18,000	6,000	33.3
Total funding	35,110,164	31,838,736	3,271,428	10.3

It should be noted that the figures shown are before DfE recoupment for their direct funding of academies and non maintained special schools.

The anticipated deficit at year end 2021-22 must be taken into account when considering the impact of the additional £3.3m in meeting the costs of ongoing high needs provision in Havering.