



**Havering**  
LONDON BOROUGH

## Schools Funding Forum 22<sup>nd</sup> September 2022 ITEM 6

**Subject Heading:**

**High Needs Funding 2023-24**

**Report Author:**

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(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 2023-24.

### RECOMMENDATIONS

That the Schools Funding Forum notes the High Needs Block funding for financial year 2023-24

### 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 2023-24

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

<https://www.gov.uk/government/publications/high-needs-funding-arrangements-2023-to-2024/high-needs-funding-2023-to-2024-operational-guide>

High needs funding nationally is increasing by £570 million, or 6.3%, compared to the amounts allocated in 2022 to 2023. This follows the increases of £1 billion in 2022-23 to 2023 and of £1.56 billion over the previous 2 years.

The funding floor factor in the high needs NFF for 2023 to 2024 will be 5% per head of 2 to 18 population. This compares to an increase in 2022-23 of 8%.

The limit on gains, before the imposition of a cap, is set at 7%, a decrease from the 2022-23 level of 11%, again calculated on a per head of population basis.

The historic spend factor remains unchanged for 2023-24, to provide every local authority with a set percentage (50%) of their 2017-18 outturn spending on high needs.

## 3. DSG High Needs Block allocation 2023-24

Indicative funding for 2023-24 through the DSG High Needs Block has been announced by the DfE as shown in the table below, with comparable data from 2022-23.

Funding factor	2023-24 £	2022-23 £	Change £	Change %
(A) Basic entitlement factor	2,174,668	2,109,083	65,585	3.1
(B) Historic spend factor	11,194,567	11,194,567	0	0.0
(C) Population factor	14,827,294	12,581,963	2,245,331	17.8
(D) FSM factor	2,516,005	2,117,116	398,889	18.8
(E) IDACI factor	2,656,963	2,243,173	413,790	18.4
(F) Bad health factor	1,915,753	1,637,830	277,923	17.0
(G) Disability factor	1,865,226	1,562,504	302,722	19.4
(H) KS2 low attainment factor	1,550,097	1,260,458	289,639	23.0
(I) KS4 low attainment factor	1,823,617	1,617,724	205,893	12.7
(J) Funding floor factor	0	0	0	0.0
(K) 2021-22 hospital education, AP teachers pay/pension and supplementary funding factor	140,718	135,746	4,972	3.7
(L1) Import/export adjustment	-1,638,000	-1,374,000	-264,000	19.2
(L2) New and growing special free schools	6,000	24,000	-18,000	-75.0
<b>Total funding</b>	<b>39,032,906</b>	<b>35,110,164</b>	<b>3,922,742</b>	<b>11.2</b>

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 2022-23 must be taken into account when considering the impact of the additional £3.9m in meeting the costs of ongoing high needs provision in Havering.