

To: **Schools Forum**  
**7 March 2024**

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**Final Proposals for the 2024-25 High Needs Block Budget**  
**Executive Director of People**  
**Executive Director: Resources**

**1. Purpose of Report**

- 1.1 The purpose of this report is to agree the detailed budget proposals for the High Needs Block (HNB) element of the Schools Budget that are being presented now by the Council. These proposals reflect the latest spend forecasts for 2023-24 financial year together with the earlier work on the Safety Valve (SV) programme bid, for which an update on current status is also provided.
- 1.2 The SV proposals also include budget proposals for council funded services, with proposed changes also set and comments sought.
- 1.3 In accordance with the statutory funding framework, there are also a small number of decisions for the Forum to take.

**2. Executive Summary**

- 2.1 The HNB funds support for children and young people with the most challenging educational requirements. It is the most complex part of school funding framework, with budgets needing to be set before a number of funding allocations are confirmed by the Department for Education (DfE).
- 2.2 Whilst the DfE has yet to confirm the outcomes from the council's bid to join the SV, the working assumption is that approval will be granted. The 2024-25 budget proposals therefore reflect the anticipated effects from the planned interventions for which school leaders, governors and the Schools Forum have significantly contributed towards. The latest 2023-24 forecast accounts, which show an increase in predicted spend, are also included as are some further proposals on related council funded services.
- 2.3 Until a formal decision in the SV is confirmed, the medium-term financial plan for the HNB excludes any additional financial contribution that may be received from the DfE and other financing information connected with delivering a balance HNB budget and removing the accumulated deficit.
- 2.4 The Forum is aware that the financial challenges being experienced are not unique to BF with many LAs accumulating significant deficits and having to set deficit budgets. With reports previously highlighting that LAs in total are carrying £2bn of deficits, with a general expectation that they would continue to rise, the DfE has introduced a temporary override to the Dedicated Schools Grant (DSG)<sup>1</sup> ringfence to make clear that LAs are not liable for deficits on their Schools Budget before to 31 March 2026.
- 2.5 Taking account of these factors, the revised medium-term financial forecast indicates a cumulative deficit on the HNB budget at 31 March 2026 of £41.533m rising to £46.462m by the end of 2029-30, which is expected to be the completion of the SV programme. The £5.321m deficit forecast for 2024-25 is predicted to move to a £0.153m surplus in 2029-30.

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<sup>1</sup> DSG is the ringfenced grant used by the DfE to fund LAs for prescribed education related services.

2.6 In terms of statutory accounts, where an LA has an overall deficit, there is a requirement to publish a DSG Deficit Account. This not only includes the HNB deficit, but surpluses held from other areas such as the Schools Block and Early Years Block. Reporting on this basis forecasts a £30.614m net deficit on the DSG at 31 March 2025.

### **3 Recommendations**

**That the Forum agrees that for the 2024-25 financial year:**

#### **3.1 That the Executive Member:**

- 1. sets the total HNB Dedicated Schools Grant income at £24.686m**
- 2. confirms the changes to relevant budgets set out in the supporting information (summarised in Table 1 and Annexes 2 and 3).**

#### **3.2 That there are appropriate arrangements in place for:**

- 1. The education of pupils with SEND (paragraph 6.25), and**
- 2. The use of pupil referral units and the education of children otherwise than at school (paragraph 6.25).**

**That the Forum:**

**3.3 NOTES The updated forecast financial position of the HNB Budget at Table 1, which shows a forecast £5.321m overspending in 2024-25 and a £41.533m cumulative deficit on the High Needs Block as at the end of March 2026**

**3.4 Provides comments on the latest 2024-25 budget proposals on council funded services which arise from the Safety Valve proposals (Annex 4).**

### **4 Reasons for Recommendations**

4.1 To ensure that the HNB Budget is set in accordance with the funding framework, the expected needs of pupils and that the views of the Schools Forum are considered.

### **5 Alternative Options Considered**

5.1 A number of alternative options were considered in the earlier stages of the process.

### **6 Supporting Information**

#### Funding Framework

6.1 The HNB element of the DSG is allocated to Local Authorities (LAs) by the DfE through a national funding formula (NFF) to support pupils with Special Educational Needs and Disability (SEND) and is intended to fund a continuum of provision for relevant pupils and students from 0-24. It is a ring-fenced grant that defines the areas of permitted spend against which LAs in general commission services from providers. In-house arrangements are made for a relatively small number of provisions.

More information on the scope of the HNB DSG and the determination of each LA's funding is set out in Annex 1.

## Financial context

6.2 The BF HNB budget first overspent in 2019-20. The annual level of deficit has increased from just over £3m to around £10m a year with the cumulative deficit at 31 March 2024 forecast at £31.571m. This compares to DSG income for the year of £23.950m.

6.3 As previously reported, the key factors affecting the financial pressure are:

- Increasing numbers of pupils with a statement or Education Health Care Plan (EHCP)<sup>2</sup>.
- A shortage of local provision results in an over reliance on relatively expensive independent, non-maintained special schools (INMSS).
- Increases in grant income from the DfE have been insufficient to finance the increase in expenditure.

6.4 The DfE recognises that many LAs are facing prolonged financial challenges in managing their HNB budgets and has introduced the following key areas of support:

1. Updating the status of the DSG ring-fence through to March 2026 to make clear that any deficit must be carried forward to the Schools Budget in the next financial year or future financial years. This ensures that no liability for a deficit would fall onto an LAs to finance from their General Fund thereby avoiding additional financial challenges outside of Education Services.
2. Introducing the Delivering Better Value Programme to improve delivery of SEND services for children and young people while ensuring services are sustainable. BFC was successful in bidding for £1m of funding through the DBV.
3. Introducing a Safety Valve programme to work with LAs holding the largest deficits to implement a change programme to return their HNB to a balanced budget whilst ensuring quality services are in place. Provided the financial targets set are met, the DfE will help finance repayment of the remaining cumulative deficit. BFC is in the process of seeking DfE agreement to joining the SV programme from April.

6.5 In terms of statutory accounts, where an LA has an overall deficit, there is a requirement to publish a DSG Deficit Account. This not only includes the HNB deficit, but balances held from other areas such as the Schools Block and Early Years Block. This report specifically highlights the financial performance of the HNB, but also includes an update on the overall forecast balance on the DSG.

## Update on Safety Valve programme

6.6 The proposed Safety Valve programme was agreed by full Council on 10 January 2024 and submitted to the DfE on 12 January 2024. The council has yet to receive a decision on its submission, and it is hoped that this will be confirmed before the end of March.

6.7 At its meeting on 10 January, full Council also agreed capital funding for a new SEMH free school. A feasibility study has taken place at the All Saints site. The council has submitted a funding bid to the DfE for capital funding for new secondary SRPs at Sandhurst and Edgbarrow, and feasibility studies have taken place at both sites. The

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<sup>2</sup> An EHCP is a legal document that describes a child or young person's special educational, health and social care needs. It explains the extra help that will be given to meet those needs and how that help will support the child or young person.

council has also submitted a self-delivery business case for the new autism free school, and it is hoped that a decision will be made by the DfE before the end of March.

2023-24 outturn forecast (from December budget monitoring cycle)

- 6.8 The impact from current on-going commitments is a key part of the costs to be included in the HNB medium term financial forecasts. Forum members will recall that in setting the original 2023-24 HNB budget, spend was forecast to exceed DSG income by £7.166m. The November meeting of the Forum received an update on financial performance for the year from end of September forecasts and this indicated an increase in overspend to £8.928m and this amount of forecast overspending was included in the medium term financial plan submitted as part of the SV bid.
- 6.9 It was highlighted at this time that a number of budget risks had been identified with more information required to fully quantify the financial impact and therefore some forecasts were tentative and subject to change.
- 6.10 The key budget variances were highlighted as follows:
1. Delegated Special Schools – +£0.099m overspend. Top up payments to Kennel Lane Special School now reflect in-year starters and leavers and increases in support needs for existing pupils increased the average cost of placement.
  2. Maintained schools and academies – +£0.444m overspend. Top up payments to BF maintained schools and academies, including Special Resource Provisions (SRPs) and other LA schools including SRPs and Special Schools are higher than forecast from a combination of additional pupils with EHCPs, higher average costs and a number of back dated payments relating to prior years, to overspend by £0.259m. This includes confirmed allocations to the end of September and an allowance for further allocations to financial year end.
  3. Non-maintained special schools and colleges – +£0.730m. This is the most significant spend area and the focus of the change programme. Whilst the number of pre 16 placements had reduced by 9 from the 2 year trend, average per place costs increased by £6.6k. For post 16 placements, most providers had not confirmed new academic year prices so no significant variance was reported.
  4. Education other than in school - +£0.409m overspend. There are 2 budget areas where a variance is expected. The operational position of College Hall Pupil Referral Unit (PRU) which has been the subject of a specific report together with the resultant impact on the number of pupils receiving home tuition.
- 6.11 In finalising annual budget proposals, rolling commitments have been based on forecasts provided in the December monitoring cycle and this shows a forecast over spending on the HNB of £10.090m, an increase of £1.162m from the previously reported amount with changes from the November Forum update as follows:
1. Delegated Special Schools – +£0.078m overspend. The main change in this period for Kennel Lane Special School relates to an increase in the number of BF resident pupils, increasing the cost to BF but preventing more expensive placements in other provisions.
  2. Maintained schools and academies – +£0.274m overspend. The number of top up payments continue to increase to levels above previous forecasts, with an additional £0.169m of prior year funding adjustments allocated over the previous 3 months as a high number of historic queries have been resolved, with a total payment for prior year queries of £0.365m.

3. Non-maintained special schools and colleges – +£0.875m. £0.253m of the adverse movement relates to a reduction in DSG of £0.171m following recalculation by DfE DSG funding formula and £0.082m transfer to College Hall Pupil Referral Unit where additional resources had previously been agreed. The remaining adverse movement relates to number of placements expected in pre 16 settings rising by 7 and those in post 16 by 26 which were updated following detailed SV related analysis.
- 6.12 As these are volatile, high-cost services that change at short notice, further variances are possible. To help mitigate against the expectation of further EHCPs and placement changes, the forecasts include a provision of £0.573m.
- 6.13 As part of the normal budget setting process, each of the current spend forecasts are reviewed to validate estimated full year effect costs. For example, the £0.365m prior year funding adjustments for mainstream school funding top ups are not expected to continue at this level into 2024-25.
- 6.14 This work indicates that there is an additional £0.917m on-going cost from 2023-24 outturn as well as the forecast £1.162m overspending, meaning an additional £2.079m of costs need to be considered as part of the delivery programme.

#### 2024-25 Estimated HNB DSG income

- 6.15 To assist LAs with their budget planning, the DfE publishes provisional HNB DSG allocations each July in advance of the relevant financial year. Further updates are provided in December but remain provisional as final funding allocations for the basic element factor relating to number of students in special schools and the import / export adjustment to compensate LAs educating pupils from other areas will be based on January 2024 data which is confirmed after the commencement of the financial year.
- 6.16 The latest provisional gross HNB DSG allocation is £25.568m which reduces to a net retained amount of £24.686m after adjusting for the provisional impact of the import / export adjustment that compensates LAs that educate pupils from other areas and directly funded SEN places in BF academies. This equates to a £0.736m (3%) increase in retained HNB DSG from 2023-24.

Annex 1 provides more information on the national HNB funding framework and a breakdown of the component parts of the initial July 2023 BF notification.

- 6.17 Members of the Forum are reminded that the current DSG allocation through the DfE HNB NFF includes a very significant top up from the Funding Floor<sup>3</sup> factor. This factor works to provide funding stability to LAs by ensuring a minimum year on year increase in funding. This particularly benefits LAs that were previously spending above the NFF level such as BF as it builds in the extra spend. BF receives a £4.558m funding top up, equivalent to 18% of all income. The England average is 2%<sup>4</sup>. Figure 2 of Annex 1 illustrates the breakdown of the BF and England average HNB funding by NFF factor.

#### Budget Proposals

- 6.18 The interventions agreed with the Forum as part of the work to develop the SV bid form the basis of budget proposals for the HNB and the projection forward into the medium-

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<sup>3</sup> The HNB NFF includes a funding floor factor which ensures LAs receive at least a specified year-on-year increase in funding.

<sup>4</sup> July 2022 data from DfE.

term financial plan. The underlying assumptions have been endorsed by the DfE SEND and Financial advisers assigned to assist the council in preparing the SV bid.

6.19 Additionally, account is also taken of the latest government spending announcements and the expected impact from current on-going commitments. The updated plan is summarised in Table 1, with more commentary on the key developments directly below, split between 2024-25 impact and future years:

1. As set out above, there is expected to be a £0.736m (+3.0%) cash increase in HNB DSG income from the DfE. This is a provisional increase and is expected to change when January census data for placements in Special Schools are confirmed in June, together with an updated import / export adjustment between LAs for out of borough placements.

Whilst detailed government spending plans from 2025-26 are not known, the DfE have previously advised LAs to “use an assumption of a 5% year-on-year increase in 2023 to 2024, and 3% beyond that”. This was reinforced by DfE officials during the SV discussions and suggests annual increases of around £0.741m in 2025-26 rising to £0.834m in 2029-30.

2. -£0.245m reduced spend to bring the 2023-24 forecast on-going overspend as at December into the base budget calculation and therefore reflect the medium-term nature that most of the commitments represent on budgets. Rolling commitments are estimated at £33.870m.
3. £0.738m for the increase in the number of pupils with an EHCP and placed in a school. These are forecast to increase by 43 (3.5%) between 2023-24 and 2024-25 years (1,338 average number of plans for pupils in schools in 2023-24 rising to an average of 1,381 for 2024-25

To reflect the graduated approach to learning, there is an expectation that a high proportion of pupils will remain in mainstream settings and therefore 75% of new places are assumed to be placed in mainstream settings, 5% in SRPs, 10% in special schools and 10% in PVI special schools.

The rate of increase in EHCP pupils is forecast to continue to rise in future years but at a slower pace than in recent years, increasing by 3.2% (44) in 2025-26 and 2.6% in 2026-27 (37) with a continuing reduction in the rate of increase in future years with around 200 extra EHCPs expected across the period of the financial plan. This equates to further annual increases in spend of around £0.729m in 2025-26 reducing to an increase of £0.352m in 2029-30.

4. £0.886m for annual inflationary increases. This assumes the 2.8% increase forecast from the Bank of England November 2023 finance update and will apply to all centrally managed budgets, plus Element 3 top up payments to providers, including mainstream schools. The exceptions to this general approach are:
  - a. Primary SRP funding rates have been subject to a funding review by a seconded BF Headteacher where the needs of placed pupils were compared to existing funding rates. This concluded that a uniform Element 3 funding rate of £7,500 should be applied to all primary SRPs. The cost of this change is included within the increased use of SRP places (see 6.19 5 a below), with no addition for inflation to be applied in 2024-25.
  - b. For the specialist SEND providers (Kennel Land Special School, College Hall Pupil Referral Unit and the secondary SRPs), where funding follows the DfE “place-plus” approach, as the funding threshold set by the DfE remains unchanged for commissioned places at £10,000, additional funding for inflation can only be paid to schools through adjusting top up funding (Element 3). In order to finance relevant providers at an increase

of 2.8%, the inflation calculation will also apply to the £10,000 per place funding. This results in an average increase to top up funding of 4.2% although amounts will vary by provider depending on the proportion of place funding compared to top up funding.

Reflecting on the November 2023 inflation forecasts, the rate of increase in costs is expected to reduce in future years, with 2.0% assumed for each further year, which is at the target rate of the Bank of England. These assumptions suggest annual increases of around £0.680m in 2025-26 rising to £0.782m in 2029-30.

5. -£2.365m aggregate cost reductions from the updated Planned Interventions:

Right provision, right time:

a. Increased use of SRPs:

The primary school SRPs that opened from September 2021 – Birch Hill, Harmanswater, Owlsmoor, Kings Academy Binfield, the Pines and Sandy Lane - now have 56 BF pupils on roll, with a notional capacity of around 93 (includes the impact of closure of Harmanswater SRP). A further 15 places are expected to be commissioned from September 2024, with 89 expected to be in use by BF pupils by September 2029.

For the secondary school SRPs at Garth Hill and Kings Academy Binfield, there are currently 42 BF pupils on roll with a notional capacity for BF pupils of 71. A further 11 placements are expected from September 2024, with all 71 expected to be filled by September 2029.

The longer-term plan is for new 2 secondary SRPs, each with a 25 place capacity and opening around 5 places per annum up to capacity. The Sandhurst SLCN provision is planned to open in September 2024 delivering 5 places, rising to capacity for September 2029. The Edgbarrow ASD provision is planned to open in September 2026 also delivering 5 places, rising to capacity for September 2030. These schemes are subject to capital grant funding being agreed as part of the SV bid.

Over 100 additional SRP places are expected in the next 5-6 years.

This initiative is not expected to impact on the number of EHCPs but rather a lower of cost provision. Savings increase as more pupils are admitted to SRPs with a net saving of £0.622m forecast for 2024-25, primary through fewer placements in maintained special and INMSS, as need can be more appropriately met by an SRP. The forecast savings continue to increase throughout the period of the medium-term financial plan reaching forecast annual cost reductions of £2.427m by 2029-30.

b. New Autism Free school

Under the DfE Free Schools Capital Programme (FSCP) agreement has been received for funding a new 100 place autism Special School that will cater for ages 5 to 19. This is an important part of the medium-term financial plan, with an expected opening date of September 2026 to 30 students and reaching full capacity at September 2028. As such there is no financial impact until 2026-27.

Current financial assumptions include 80% of pupils (80) on roll being from BF, that top up funding will be greater than KLS at over £30,000 per pupil, with around 20% of placements preventing an external placement in another LA special school and 80% preventing placements in INMSS.

The forecasts include savings of £0.357m in 2026-27 rising to £2.067m once fully open in 2029-30.

- c. New Social, Emotional and Mental Health (SEMH) Free school  
Recognising the significant number of children and young people with SEMH, a second Free School is proposed, this time to be funded from existing DfE capital grants, developer contributions, capital receipts and borrowing by BFC. The new SEMH Special School will cater for 50 secondary aged pupils. As with the new autism school, this is an important part of the medium-term financial plan, with an expected opening date of September 2025 to 10 students and reaching full capacity at September 2029. As such there is no financial impact until 2025-26.

Current financial assumptions include 80% of pupils on roll (40) being from BF, that top up funding will be greater than that at KLS at over £30,000 per pupil, with around 20% of placements preventing an external placement in another LA special school and the remaining 80% preventing placements in INMSS.

The forecasts include savings of £0.120m in 2025-26 rising to £1.053m once fully open in 2030-31.

#### Value for Money Services

- d. Education Other Than in School (EOTIS) review: College Hall Pupil Referral Unit (PRU)

A number of factors have presented recently that supported the need to review College Hall PRU: significant financial overspending; pupil numbers being substantially below capacity; low numbers of exclusions from schools; the recent Ofsted judgment. The medium-term plan is now to seek to reverse the academy order and consult on the closure of the PRU and consider the introduction of a new support package to excluded pupils. The pre-publication period of the consultation is currently underway. It is hoped that the consultation will conclude that it is appropriate to close the PRU but we must stress at this point it is only a consultation proposal, a final decision has not been made.

Current financial assumptions are that there will be a phased closure of the PRU, commencing April 2024, when there are expected to be around 30 pupils in attendance, reducing to around 10 from September 2024 as the year 11 students finish their education. This would result in a cost reduction of £1.167m in 2024-25 with further reductions until 2027-28 when the full £1.810m cost reduction would be realised.

In terms of future provisions for excluded pupils, there has been an average of 4 exclusion per annum over the last 10 years. Moving forward, without a PRU provision, this is expected to increase to around 15, with 5 expected to be reintegrated to schools through the Fair Access panel, with on average of 30 days funded support, with 10 pupils requiring 70 days funded support. This is forecast to cost £0.164m from 2024-25, rising to £0.281m from 2025-26.

- e. Education Other Than in School (EOTIS) review: Home Tuition and Outreach Service / medical needs.

Where children and young people cannot attend school because of a physical or mental health need, and cannot access suitable full-time



education, the council provides support through the home tuition and outreach service. There are circa 50 children and young people receiving support where the cost has significantly increased in recent years and is forecast for 2023-24 at around £1.091m.

The model to be adopted moving forward is for the employment of 3 staff tutors together with a business support officer. This would be complimented by use of telepresence robots in classrooms to aid student participation. The cost of this model is estimated at around £0.250m.

This change is forecasted to be phased from September 2024, realising a cost reduction of £0.343m in 2024-25 raising to full year effect savings of £0.811m from 2026-27.

- f. Specialist Services Review: BF Managed SEND and Early Years.  
Workshops undertaken with Schools Leaders and other stakeholders for the Safety Valve submission to the DfE identified that the current service delivery models within BFC support services should be reviewed.

The rationale for the review of the support services is twofold i) to ensure services are delivering the best outcomes for children and young people and ii) that services offered are value for money and meet school needs.

Current financial assumptions are that there will be a phased impact from reviews that will commence in September 2024, and result in initial cost reductions of £0.061m. Further reductions of £0.391m are forecast for 2025-26 and £0.043m in 2026-27.

- g. Commissioning: Block contracts, external provider fee reduction, Banding Tool

Cost reductions are planned on high-cost external placements through use of block contracts at providers with average fees above £45k and where more than 10 pupils are placed. A 5% fee reduction is assumed, commencing 2025-26 when a saving of £0.224m is forecast. This saving is expected to be completely removed over time as other interventions reduce the number of high cost external placements in INMSS.

Application of the new banding tool will be applied for all children with new EHC plans and those transferring between key stages. The tool provides a mechanism so that application of funding is applied in a fair and equitable way.

Current financial assumptions are that there will be a phased impact which is expected to result in £0.073m cost reduction in 2024-25, with a further £0.052m in 2025-26 and £0.125m thereafter.

### Early Support and Advice

- h. Front door, graduated response, outreach and in reach hub.  
To ensure that children and young people who are presenting with additional needs receive the right support at the right time to address their needs early and prevent escalation.

Create a robust Front Door service where staff have the appropriate skills and confidence to provide advice, support, and signposting for children presenting with SEND. This will include having an effective triage at the

front door that can establish whether the need is a SEND need (e.g., specific to the child) or an Early Help need (a presenting need being caused by external, environmental, or familial factors). This will reduce the number of unnecessary requests for an EHC needs assessment when an Early Help approach may be more effective.

This will be achieved by:

- i. Mapping out the SEND and Early Help pathways from identification of need through to a request for assessment/intervention.
- ii. Using data to form a clear understanding of the demand, referral pathways and request sources.
- iii. Analysis of the extent to which needs were addressed at the right "front door"; and
- iv. Work with partners to formulate an integrated front door structure guided by the findings

Current financial assumptions are that there will be a phased impact from early interventions, with around 15 fewer reviews in 2024-25 and between 18 and 29 in future years. This is expected to result in £0.263m cost reduction in 2024-25, with a further £0.508m in 2025-26 reducing to £0.368m in 2029-30.

6. Impact of 2023-24 additional spending of £2.079m, of which £1.162m is one-off and £0.0917m on-going, will be considered in the new year delivery programme.

7. Additional income:

- a) Schools Block and Central Schools Services Block transfer

As part of the funding strategy, and following consultation with schools, the equivalent of 1% of the Schools Block DSG will be transferred to the HNB. This amounts to £0.962m in 2024-25 rising annually through inflation to £1.117m.

- b) Health Service

Funding contributions are already received for some pupils, with those in mainstream setting unlikely to be considered as meeting funding thresholds. However, a number of pupils requiring health support, such as those with a primary need relating to a physical disability, profound and multiple learning disability or specific learning disability may be eligible for health funding. Assuming one third of pupils in this cohort can receive funding support would increase income by £0.145m by 2029-30.

- 6.20 To reflect the long-term nature of implementation of these initiatives as well as risks around the assumptions made on volatile, high-cost budgets, it is important to remember that the medium-term financial plan will be updated on a regular basis with the expectation that the anticipated financial implications will also be subject to change. This is particularly relevant at this point in time as most of the large-scale new developments are in their initial stages, or yet to commence, and therefore lack sufficient actual evidence of impact to present robust financial implications.

#### HNB Budget Medium term financial forecast

- 6.21 Table 1 below sets out a summary of the interim medium-term budget forecast for the HNB, reflecting the changes set out above and current information and assumptions. The deficit forecast for 2024-25 is £5.321m with a cumulative deficit of £36.892m. The annual

deficit forecast reduces over the next 3 years to £1.841m before achieving a surplus of -£0.012m. The forecast for the end of the current 6-year plan to 31 March 2030 indicates a cumulative over spending of £46.462m.

- 6.22 In terms of statutory accounts, where an LA has an overall deficit, there is a requirement to publish a DSG Deficit Account. This not only includes the HNB deficit, but historic surpluses held from other areas such as the Schools Block and Early Years Block. Reporting on this basis forecasts a £30.614m net deficit on the overall DSG at 31 March 2025, which is forecast to increase to £40.185m by 31 March 2030.
- 6.23 The detailed budget changes anticipated at service level are set out in Annex 2 with Annex 3 showing the resultant summarised budget lines. Due to the volatile and unpredictable nature of pupil needs it is not always certain where the most suitable support arrangements are and where the education support will ultimately be delivered which may require in-year movement of budgets.

Table 1: HNB Budget: Medium term financial forecast

| Item   | 2024-25<br>£m  | 2025-26<br>£m  | 2026-27<br>£m  | 2027-28<br>£m  | 2028-29<br>£m  | 2029-30<br>£m  |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Forecast income:</b>  |                |                |                |                |                |                |
| HNB DSG - after import / export adjustment                     | -24.686        | -25.427        | -26.190        | -26.976        | -27.785        | -28.619        |
| <i>Annual change</i>   | -0.736<br>3.0% | -0.741<br>3.0% | -0.763<br>3.0% | -0.786<br>3.0% | -0.809<br>3.0% | -0.834<br>3.0% |
| <b>Forecast spend - no interventions:</b>                      |                |                |                |                |                |                |
| Forecast spend / rolling commitments                           | 33.870         | 35.487         | 36.894         | 38.290         | 39.535         | 40.799         |
| New EHCPs and inflation  | 1.624          | 1.409          | 1.387          | 1.239          | 1.248          | 1.134          |
| <b>Total unmitigated costs</b>                                 | <b>35.494</b>  | <b>36.896</b>  | <b>38.281</b>  | <b>39.529</b>  | <b>40.783</b>  | <b>41.933</b>  |
| <b>In-year funding gap before mitigations</b>                  | <b>10.808</b>  | <b>11.469</b>  | <b>12.092</b>  | <b>12.553</b>  | <b>12.998</b>  | <b>13.314</b>  |
| <b>Planned interventions:</b>                                  |                |                |                |                |                |                |
| Right Provision, Right Time:                                   | -0.622         | -0.541         | -1.076         | -1.366         | -1.201         | -0.643         |
| Value For Money Services:                                      | -1.480         | -1.376         | -0.418         | -0.149         | -0.037         | -0.052         |
| Early Support and Advice:                                      | -0.263         | -0.508         | -0.438         | -0.315         | -0.368         | -0.368         |
| 2023-24 additional spending off-set                            | -2.079         | 1.162          |                |                |                |                |
| <b>Forecast impact of in-year interventions</b>                | <b>-4.444</b>  | <b>-1.263</b>  | <b>-1.932</b>  | <b>-1.830</b>  | <b>-1.606</b>  | <b>-1.063</b>  |
| Cummulative savings from previous years                        |                | -4.444         | -5.707         | -7.638         | -9.468         | -11.074        |
| <b>Net spend after planned interventions</b>                   | <b>31.050</b>  | <b>31.189</b>  | <b>30.643</b>  | <b>30.060</b>  | <b>29.709</b>  | <b>29.796</b>  |
| <b>Other income:</b>   |                |                |                |                |                |                |
| One-year BF Financing of HNB spend                             |                |                |                |                | -0.650         |                |
| 1% transfer to HNB from SB and CSSB                            | -0.962         | -0.991         | -1.021         | -1.052         | -1.084         | -1.117         |
| Other income: Contribution from Health                         | -0.081         | -0.130         | -0.180         | -0.191         | -0.202         | -0.213         |
| <b>Total net spend</b>   | <b>30.007</b>  | <b>30.068</b>  | <b>29.442</b>  | <b>28.817</b>  | <b>27.773</b>  | <b>28.466</b>  |
| <b>HNB Anticipated funding gap after interventions:</b>        |                |                |                |                |                |                |
| <u>HNB accounts from 31 March 2019</u>                         |                |                |                |                |                |                |
| HNB under (-) / over (+) spend for the year                    | 5.321          | 4.641          | 3.252          | 1.841          | -0.012         | -0.153         |
| HNB surplus (-) / deficit (+) closing balance                  | 36.892         | 41.533         | 44.785         | 46.627         | 46.614         | 46.462         |
| <b>DSG Adjustment Account (all DSG balances - cummulative)</b> |                |                |                |                |                |                |
| DSG Adjustment account balance                                 | 30.614         | 35.255         | 38.507         | 40.349         | 40.336         | 40.184         |

### Responsibilities of the Schools Forum

- 6.24 The Forum is requested to agree that the Executive Member sets the 2024-25 budget on these proposals, as summarised in Table 1. Whilst the duty to set the HNB budget rests with LAs, the views of the Forum are an important part of the process and have always been considered by the Executive Member.
- 6.25 There are 2 specific areas on HNB budgets where the Forum has a statutory role to play in setting the HNB, and this involves “giving a view” on:
- arrangements for pupils with special educational needs, in particular the places to be commissioned by the local authority and schools and the arrangements for paying top-up funding
  - arrangements for use of pupil referral units and the education of children otherwise than at school, in particular the places to be commissioned by the local authority and schools and the arrangements for paying top-up funding

### Budget proposals on council funded services

- 6.26 As part of the Block Transfer / top slice consultation with schools, it was confirmed that if the transfer is agreed, £0.265m of costs currently funded from within the Schools Block and Central Schools Services Block DSG allocations would in future be used to support the HNB rather than contribute to Education related duties that the council meets without DfE funding. The consultation confirmed that the council could not absorb this loss of income and would bring forward proposals on how this could be managed.
- 6.27 The Assistant Director: Education & Learning has considered this requirement and is now proposing budget changes for Governor Services, the Open Learning Centre, Services for young people Not in Education, Employment or Training, Education Property, Standards and Effectiveness and some general resources. More information is set out in Annex 4 which the Forum is requested to consider.

### Next Steps

- 6.28 The views of the Schools Forum regarding these 2024-25 budget proposals from the council will be considered by the Executive Member on 19 March, when a final decision will be made on HNB budgets.

## **7 Advice received from Statutory and other officer**

### Borough Solicitor

- 7.1 The relevant legal issues are addressed within the body of this report. One element requires particular clarification. Proposals for the closure of the PRU are currently subject to a statutory consultation process and a final decision will not be taken until the consultation has been concluded, the evidence and submissions have been analysed and any necessary clarifications with consultees have been concluded and a recommendation is formalised, after that the Executive will make the final decision. Until that point it is just a proposal.

### Director of Finance

- 7.2 The financial implications anticipated at this stage confirm the expected significant financial difficulties that will arise on HNB budgets. A successful outcome to the SV bid

will provide additional income from the DfE to support the change programme with the council needing consider funding options for the remaining gap.

#### Equalities Impact Assessment

- 7.3 The initial Equalities Impact Assessment is attached at Annex 4.

#### Strategic Risk Management Issues

- 7.4 The level of the deficit on the Dedicated Schools Grant due to rising costs in recent years of SEND services represents the most serious financial threat the Council faces. Participation in the Safety Valve programme provides the impetus to address this through the identification of mitigations that both bring spend in line with budget and maintain a focus on educational outcomes, while offering the opportunity to secure both revenue and capital grant funding from the DfE that is not available to authorities outside Safety Valve.

## **8 Consultation**

#### Principal Groups Consulted

- 8.1 Governors and Headteachers of schools, the Schools Forum and the People Directorate Management Team.

#### Method of Consultation

- 8.2 Formal consultations, workshops, meetings and written reports.

#### Representations Received

- 8.3 Incorporated into this report.

#### Background Papers

None.

#### Contact for further information

Paul Clark, Business Partner – People Directorate (01344 354054)  
<mailto:paul.clark@bracknell-forest.gov.uk>

Duane Chappell, Assistant Director: Education & Learning (01344) 351720

#### Doc. Ref

Doc. Ref [https://bfcouncil.sharepoint.com/sites/fina/bpm/FIBPSCB-FIN9.6/Schools Forum/\(122\) 070324/2024-25 HNB Budget Preparations -12 Feb v1.docx](https://bfcouncil.sharepoint.com/sites/fina/bpm/FIBPSCB-FIN9.6/Schools Forum/(122) 070324/2024-25 HNB Budget Preparations -12 Feb v1.docx)

## Overview of the HNB Budget

1. The HNB element of the DSG supports pupils with special educational needs and disabilities (SEND) and is intended to fund a continuum of provision for relevant pupils and students from 0-24. LAs receive funding for these provisions from the DfE and in general commission services from providers. In-house arrangements are made in a relatively small number of areas.
2. The DfE has determined that where the cost of provision is above £10,000 it will be classified as high needs. In such circumstances, a “place-plus” approach to funding will generally be used which can be applied consistently across all providers that support high needs pupils and students as follows:
  - a. **Element 1 or “core education funding”**: equivalent to the age-weighted pupil unit (AWPU) in mainstream schools, which the DfE has stated the national average is around £4,000.
  - b. **Element 2 or “additional support funding”**: a budget for providers to deliver additional support for high needs pupils or students with additional needs of up to £6,000.  
  
Specialist and Alternative Providers (AP), such as special schools and Pupil Referral Units (PRUs) only cater for high needs pupils and therefore receive a minimum £10,000 (Element 1 funding plus Element 2) per agreed place.
  - c. **Element 3, or “top-up funding”**: funding above elements 1 and 2 to meet the total cost of the education provision required by an individual high needs pupil or student, as based on the pupil's or student's assessed needs. This element is paid to all provider types, for pupils with assessed needs above the £10,000 threshold.
3. Additionally, HNB DSG is also intended to be used where high needs provisions are not arranged in the form of places e.g. specialist support for pupils with sensory impairments, or tuition for pupils not able to attend schools etc.
4. The statutory regulatory framework requires the council to decide on the arrangements to be put in place for the HNB and associated resources and for the Forum to comment on their appropriateness. The current approach in BF is to develop the services during the year in partnership with schools and has therefore created a sub-committee of the Forum to gather views and help shape arrangements. Final budget decisions are taken in March each year by the Executive Member for Children, Young People and Learning.

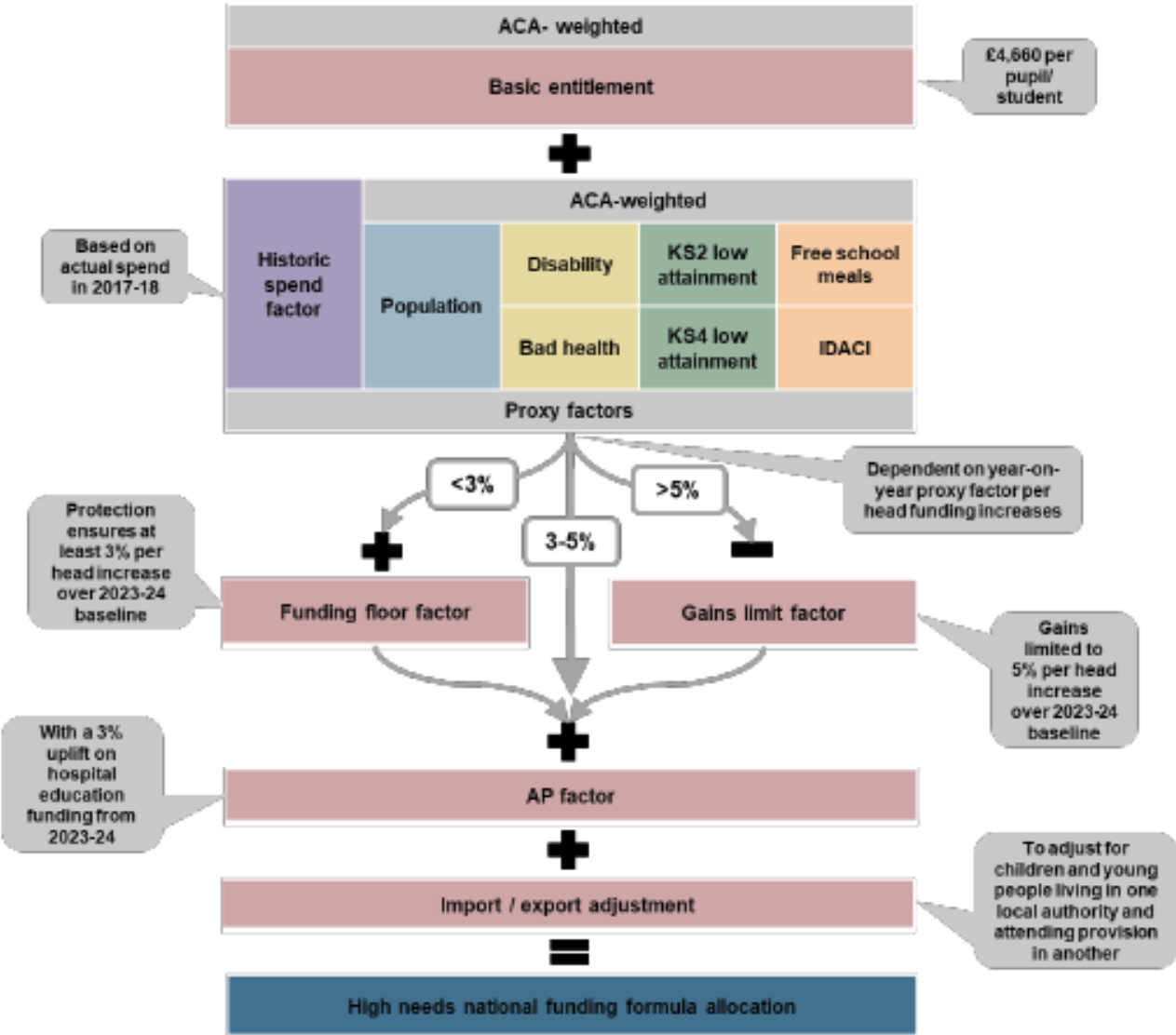
### DfE Reforms

5. A new National Funding Formula (HNB NFF) was introduced in April 2018 to replace a system that largely allocated funding based on historic spending decisions. The core elements of funds distribution to LAs now comprises. All amounts relate to July 2022 DfE funding announcements, excluding any area cost adjustment, unless otherwise stated:
  1. **Basic entitlement**: £4,660 for each pupil / student that the LA is responsible for educating that is attending a special school
  2. **Historic spend**: 50% of 2017-18 baseline amount agreed with each LA

3. **Population:** Share of national budget allocation based on projected 2-18 year olds at the relevant mid-year as a proportion of all 2-18 year olds)
  4. **Free school meals** Share of national budget allocation based on resident pupils eligible to FSM as a proportion of all pupils eligible to FSM
  5. **Income Deprivation Affecting Children Index** Share of national budget allocation based on number of 2-18 year olds in IDACI bands A-F as a proportion of all pupils in IDACI bands A-F
  6. **Bad health** Share of national budget allocation based on number of resident children aged 0-16 in bad or very bad health in the general population census as a proportion of all projected children in bad or very bad health
  7. **Disability** Share of national budget allocation based on number of resident children aged 0-16 for whom parents are eligible to disability living allowance (DLA) as a proportion of all eligible DLA families
  8. **Key Stage 2 low attainment** Share of national budget allocation based on number of resident pupils who did not attain level 3 in reading tests plus those that did not attain a scaled score in reading test or were not entered as a proportion of all relevant children
  9. **Key stage 4 low attainment** Share of national budget allocation based on number of resident pupils who did not attain 5 GCSEs at grades A\* to G as a proportion of all relevant children.
  10. **Hospital education and historic pay, pensions and supplementary grant funding:** Hospital education is based on historic spend with the other allocations based on DfE national formulae.
  11. **Import / export adjustment:** An import / export adjustment so those LAs sending out more pupils to other LAs lose £6,000 per pupil funding to reflect the requirement of the resident LA to finance all place funding in the SEN institutions in their area, irrespective of which LA places the student. This amount is added to the £4,000 per pupil / student funding included in the main formula to achieve the £10,000 place funding cost. This is a lagged adjustment. LA funding allocations are adjusted from January census data, but actual places purchased will generally be based on actual student numbers taking up places during the year
  12. **Area cost adjustment:** reflects variations in labour market costs across the country by taking into account the general labour market trends and the particular salary variations in the teaching work. BFC received a 7.7% uplift.
6. One of the key outcomes for the DfE from these reforms is to ensure that any change in the amount of funding allocated to individual LAs must be introduced slowly to allow those areas facing reductions time to adjust to the new amounts. This is because expenditure is mainly incurred on educational fees and these generally remain unchanged throughout the course of each pupil's time in the relevant institution which often presents commitments for over 10 years.
  7. Therefore, the formula applies the protection of a funding floor to all the proxy factors. This ensures that, on a per head basis, these elements of the formula will increase by at least 3% in 2024-25 over the 2023-24 funding baseline<sup>4</sup>. A further layer of protection for LAs with decreasing populations ensures that no LA receives less funding than the equivalent figure from the 2023-24 baseline. However, for 2024-25, no LA receives any funding as a result of this additional protection.

The component parts and associated allocations through the HNB NFF are illustrated in Figure 1 below with the financial impact in BF and the England shown in Figure 2.

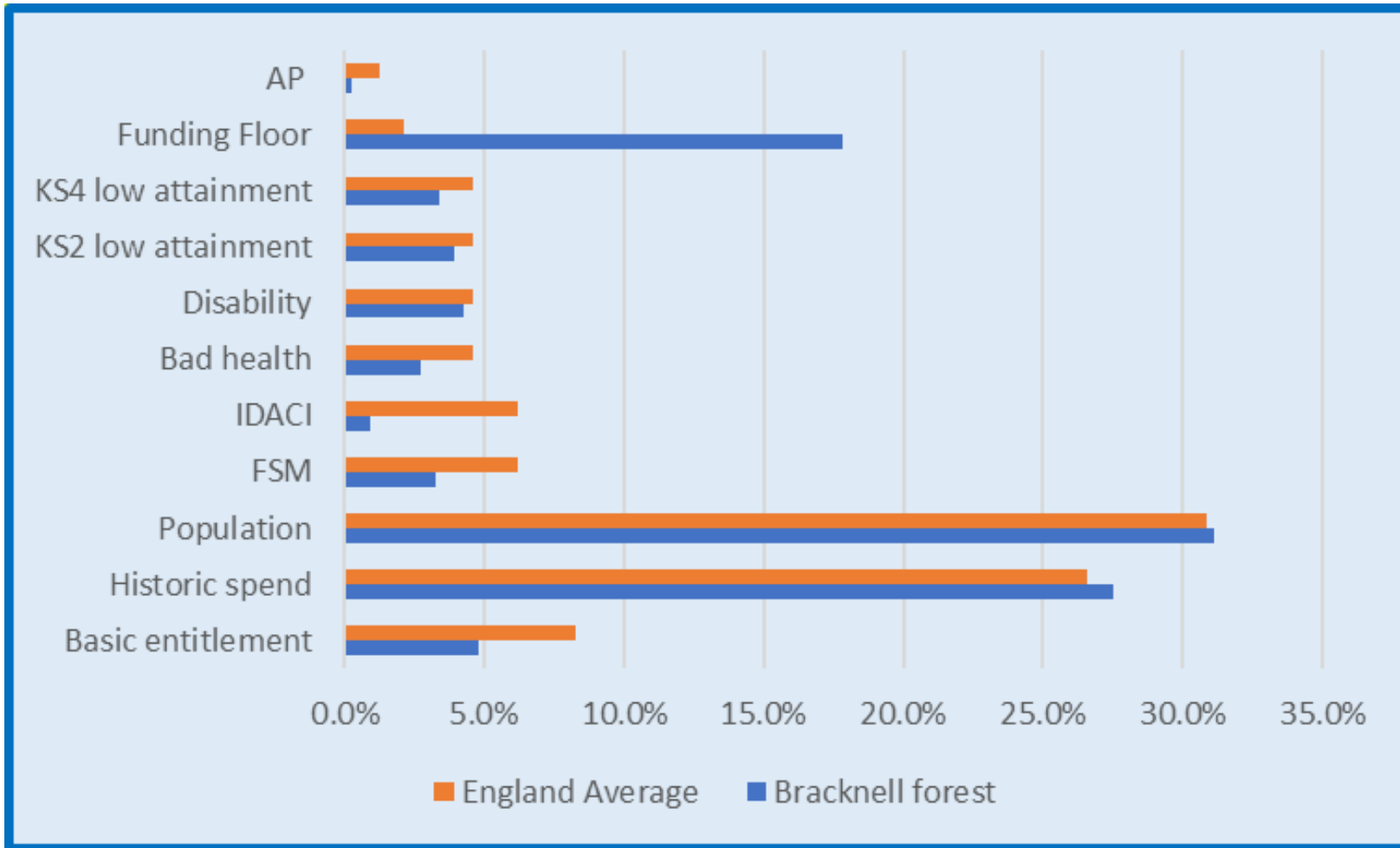
**Figure 1: An overview of the elements and factors comprising the formula**



**Figure 1: This diagram shows how the elements and factors in the high needs national funding formula combine to produce the allocations.**



**Figure 2: 2024-25 HNB Funding Formula split for BF and England average**



**Key themes on BF funding compared to the national average:** BF basic entitlement from pupils in special schools is below the national average (5% compared to 8%) and reflects limited places in BF; deprivation funding (4% compared to 12%) considerably lower and reflects relative low levels of deprivation; Funding Floor factor significantly higher (18% compared to 2%) and represents funding received above the level delivered through the HNB funding formula and reflects the higher level of spend being incurred in BF before the new funding formula was introduced.

**2024-25 Proposed HNB Budget detailed changes**

| Line Ref | Description | 2023-24 Current Budget | 2023-24 Forecast Variance (December) | Proposed Budget Change     |                    |                    |           | Proposed 2024-25 Budget | Summary Comment on significant "Proposed Budget change" |
|----------|-------------|------------------------|--------------------------------------|----------------------------|--------------------|--------------------|-----------|-------------------------|---|
|          |             |                        |                                      | Reset to 2024-25 full year | Demographic growth | Savings Plan items | Inflation |                         |   |
| A        | B           | C                      | D                                    | E                          | F                  | G                  | H         | I                       | J   |
|          |             | £                      | £                                    | £                          | £                  | £                  | £         | £                       |   |

**Funds Delegated to Special School**

|   |   |           |         |         |   |   |         |           |  |
|---|---|-----------|---------|---------|---|---|---------|-----------|--|
| 1 | Kennel Lane Special School - original budget (BFC responsibility only)        | 5,565,510 | -30,000 | 260,410 | 0 | 0 | 163,130 | 5,989,050 | Current estimate is for initial budget requirement of 198 purchased places and 166 FTE BFC resident Element 3 top-up payments (up 6 FTE from last year).<br><br>The overall proportion of higher level Band 5 students has also increased resulting in additional full year effect costs from 2023-24 which are shown in line 2 below. |
| 2 | Kennel Lane Special School - in-year budget changes (BFC responsibility only) | 70,000    | 207,000 | -30,000 | 0 | 0 | 0       | 40,000    |  |

|                  |                |                |          |          |                |                  |
|------------------|----------------|----------------|----------|----------|----------------|------------------|
| <b>5,635,510</b> | <b>177,000</b> | <b>230,410</b> | <b>0</b> | <b>0</b> | <b>163,130</b> | <b>6,029,050</b> |
|------------------|----------------|----------------|----------|----------|----------------|------------------|

| Line Ref | Description | 2023-24 Current Budget | 2023-24 Forecast Variance (December) | Proposed Budget Change     |                    |                    |           | Proposed 2024-25 Budget | Summary Comment on significant "Proposed Budget change" |
|----------|-------------|------------------------|--------------------------------------|----------------------------|--------------------|--------------------|-----------|-------------------------|---|
|          |             |                        |                                      | Reset to 2024-25 full year | Demographic growth | Savings Plan items | Inflation |                         |   |
| A        | B           | C                      | D                                    | E                          | F                  | G                  | H         | I                       | J   |
|          |             | £                      | £                                    | £                          | £                  | £                  | £         | £                       |   |

### Maintained Schools & Academies

|   |   |           |         |          |         |          |         |           |   |
|---|---|-----------|---------|----------|---------|----------|---------|-----------|---|
| 3 | Primary SRPs  | 909,760   | 32,000  | 214,240  | 0       | 0        | 0       | 1,124,000 | The budget proposal reflects the forecast cost from revised top up rates and new places.  |
| 4 | Secondary SRPs  | 884,850   | 210,000 | 105,150  | 0       | 228,000  | 29,760  | 1,247,760 | Reflects the planned development of new SRP places in secondary mainstream schools. Savings Plan extra spend off-set by larger savings recorded against external placements budgets.  |
| 5 | BF mainstream schools - Element 3 top up payments                   | 4,029,620 | 545,000 | 331,310  | 233,270 | -125,950 | 130,510 | 4,598,760 | The 2024-25 reset reflects the ongoing cost of 2023-24 decisions, with growth pressure arising from additional numbers of EHCPs. Savings Plan items reflect workstreams in value for money and early advice and support.    |
| 6 | ESFA SEN places deduction for academies and specialist FE providers | 0         | 0       | 381,000  | 0       | 0        | 0       | 381,000   | ESFA calculation for direct payment. Now included for presentational purposes to replicate SV format.   |
| 7 | BF resident students attending other LA schools                     | 3,206,340 | -96,000 | -275,000 | 217,140 | -350,340 | 82,080  | 2,880,220 | The 2024-25 reset reflects the ongoing cost of 2023-24 decisions, with growth pressure arising from additional numbers of EHCPs. Savings Plan items reflect workstreams in value for money and right provision, right time. |
| 8 | Post-16 SEND pupils in maintained school sixth forms                | 12,000    | 0       | 0        | 0       | 0        | 0       | 12,000    |   |
| 9 | BF mainstream schools - Element 3 short term interventions          | 12,970    | 0       | -12,970  | 0       | 0        | 0       | 0         |   |

| Line Ref | Description | 2023-24 Current Budget | 2023-24 Forecast Variance (December) | Proposed Budget Change     |                    |                    |           | Proposed 2024-25 Budget | Summary Comment on significant "Proposed Budget change" |
|----------|-------------|------------------------|--------------------------------------|----------------------------|--------------------|--------------------|-----------|-------------------------|---|
|          |             |                        |                                      | Reset to 2024-25 full year | Demographic growth | Savings Plan items | Inflation |                         |   |
| A        | B           | C                      | D                                    | E                          | F                  | G                  | H         | I                       | J   |
|          |             | £                      | £                                    | £                          | £                  | £                  | £         | £                       |   |

**Maintained Schools & Academies (continued)**

|    |   |        |        |        |   |   |   |         |  |
|----|---|--------|--------|--------|---|---|---|---------|--|
| 10 | Element 3 Early Years   | 34,940 | -6,000 | 0      | 0 | 0 | 0 | 34,940  |  |
| 11 | BF mainstream schools – top up to schools with disproportionate number of HN pupils | 81,510 | 33,000 | 23,000 | 0 | 0 | 0 | 104,510 |  |

|                  |                |                |                |                 |                |                   |
|------------------|----------------|----------------|----------------|-----------------|----------------|-------------------|
| <b>9,171,990</b> | <b>718,000</b> | <b>766,730</b> | <b>450,410</b> | <b>-248,290</b> | <b>242,350</b> | <b>10,383,190</b> |
|------------------|----------------|----------------|----------------|-----------------|----------------|-------------------|

**NMSS & Colleges**

|    |                    |           |         |         |         |          |         |           |   |
|----|--------------------|-----------|---------|---------|---------|----------|---------|-----------|---|
| 12 | Pre-16 provisions  | 8,148,780 | 938,000 | 937,850 | 244,430 | -689,390 | 254,090 | 8,895,760 | The 2024-25 reset reflects the ongoing cost of 2023-24 decisions, with growth pressure arising from additional numbers of EHCPs. Savings Plan items reflect workstreams in value for money and right provision, right time. |
| 13 | Post-16 provisions | 2,438,210 | 667,000 | 667,000 | 43,130  | -20,570  | 86,940  | 3,214,710 |   |

|                   |                  |                  |                |                 |                |                   |
|-------------------|------------------|------------------|----------------|-----------------|----------------|-------------------|
| <b>10,586,990</b> | <b>1,605,000</b> | <b>1,604,850</b> | <b>287,560</b> | <b>-709,960</b> | <b>341,030</b> | <b>12,110,470</b> |
|-------------------|------------------|------------------|----------------|-----------------|----------------|-------------------|

| Line Ref | Description | 2023-24 Current Budget | 2023-24 Forecast Variance (December) | Proposed Budget Change     |                    |                    |           | Proposed 2024-25 Budget | Summary Comment on significant "Proposed Budget change" |
|----------|-------------|------------------------|--------------------------------------|----------------------------|--------------------|--------------------|-----------|-------------------------|---|
|          |             |                        |                                      | Reset to 2024-25 full year | Demographic growth | Savings Plan items | Inflation |                         |   |
| A        | B           | C                      | D                                    | E                          | F                  | G                  | H         | I                       | J   |
|          |             | £                      | £                                    | £                          | £                  | £                  | £         | £                       |   |

### Education out of School

|    |   |                  |                |                |          |                   |               |                  |  |
|----|---|------------------|----------------|----------------|----------|-------------------|---------------|------------------|--|
| 14 | College Hall PRU  | 1,610,290        | 150,000        | 200,000        | 0        | -1,166,750        | 50,690        | 694,230          | The 2024-25 reset reflects the ongoing cost of 2023-24 decisions. Savings Plan items reflect workstreams in value for money. |
| 15 | Excluded pupil provision  | 22,120           | 0              | 0              | 0        | 164,000           | 620           | 186,740          |  |
| 16 | Home Tuition - current service                                      | 882,120          | 199,000        | 209,000        | 0        | -487,000          | 30,550        | 634,670          | The 2024-25 reset reflects the ongoing cost of 2023-24 decisions. Savings Plan items reflect workstreams in value for money. |
| 17 | Home Tuition - new service  | 0                | 0              | 0              | 0        | 144,000           | 0             | 144,000          |  |
| 18 | Alternative Provision for Primary Aged pupils without a statement   | 112,170          | 0              | -22,170        | 0        | 0                 | 2,520         | 92,520           |  |
| 19 | Alternative Provision for Secondary Aged pupils without a statement | 95,680           | 0              | -15,680        | 0        | 0                 | 2,240         | 82,240           |  |
| 20 | Other externally purchased Alternative Provision                    | 43,620           | 0              | -13,620        | 0        | 0                 | 840           | 30,840           |  |
| 21 | Share of Head of Service  | 26,110           | 0              | 0              | 0        | 0                 | 730           | 26,840           |  |
|    |   | <b>2,792,110</b> | <b>349,000</b> | <b>357,530</b> | <b>0</b> | <b>-1,345,750</b> | <b>88,190</b> | <b>1,892,080</b> |  |

| Line Ref | Description | 2023-24 Current Budget | 2023-24 Forecast Variance (December) | Proposed Budget Change     |                    |                    |           | Proposed 2024-25 Budget | Summary Comment on significant "Proposed Budget change" |
|----------|-------------|------------------------|--------------------------------------|----------------------------|--------------------|--------------------|-----------|-------------------------|---|
|          |             |                        |                                      | Reset to 2024-25 full year | Demographic growth | Savings Plan items | Inflation |                         |   |
| A        | B           | C                      | D                                    | E                          | F                  | G                  | H         | I                       | J   |
|          |             | £                      | £                                    | £                          | £                  | £                  | £         | £                       |   |

### Other SEN Services

|    |   |                  |               |                |          |                |               |                  |   |
|----|---|------------------|---------------|----------------|----------|----------------|---------------|------------------|---|
| 22 | Autism Support Unit   | 150,480          | -12,000       | 0              | 0        | -11,000        | 4,210         | 143,690          |   |
| 23 | Support for inclusion   | 179,890          | -75,000       | 0              | 0        | 0              | 0             | 179,890          |   |
| 24 | Sensory Consortium Service  | 273,700          | -83,000       | 0              | 0        | 0              | 0             | 273,700          |   |
| 25 | Speech and Language Services  | 244,170          | -24,000       | 0              | 0        | 0              | 0             | 244,170          |   |
| 26 | Occupational Therapy  | 42,680           | -6,000        | 0              | 0        | 0              | 1,200         | 43,880           |   |
| 27 | Integrated Therapies  | 23,090           | -38,000       | -23,090        | 0        | 0              | 0             | 0                |   |
| 28 | Medical support to pupils pre 16  | 471,570          | 330,000       | 168,430        | 0        | 0              | 17,920        | 657,920          | The 2024-25 reset reflects the ongoing cost of 2023-24 decisions. |
| 29 | Equipment for SEN Pupils  | 24,150           | 0             | 0              | 0        | 0              | 670           | 24,820           |   |
| 30 | SEN Tribunals   | 76,400           | 46,000        | 30,030         | 0        | 0              | 2,980         | 109,410          | The 2024-25 reset reflects the ongoing cost of 2023-24 decisions. |
| 31 | Support for Learning  | 136,700          | -24,000       | 0              | 0        | -13,000        | 3,830         | 127,530          |   |
| 32 | TASS Learning Support   | 66,690           | 30,000        | 0              | 0        | 0              | 1,870         | 68,560           |   |
| 33 | Traveller Education   | 84,760           | -48,000       | 0              | 0        | -7,000         | 2,370         | 80,130           |   |
| 34 | EY Management Staff   | 124,710          | -18,000       | 0              | 0        | 0              | 3,490         | 128,200          |   |
| 35 | Child Development Centre  | 419,140          | -3,000        | 0              | 0        | -30,000        | 11,740        | 400,880          |   |
| 36 | Share of Head of Service  | 38,820           | 0             | 0              | 0        | 0              | 1,090         | 39,910           |   |
| 37 | Standards and Effectiveness Team, Finance, HR, Business Intelligence and other support services | 191,520          | 0             | 0              | 0        | 0              | 0             | 191,520          |   |
|    |   | <b>2,548,470</b> | <b>75,000</b> | <b>175,370</b> | <b>0</b> | <b>-61,000</b> | <b>51,370</b> | <b>2,714,210</b> |   |

| Line Ref | Description | 2023-24 Current Budget | 2023-24 Forecast Variance (December) | Proposed Budget Change     |                    |                    |           | Proposed 2024-25 Budget | Summary Comment on significant "Proposed Budget change" |
|----------|-------------|------------------------|--------------------------------------|----------------------------|--------------------|--------------------|-----------|-------------------------|---|
|          |             |                        |                                      | Reset to 2024-25 full year | Demographic growth | Savings Plan items | Inflation |                         |   |
| A        | B           | C                      | D                                    | E                          | F                  | G                  | H         | I                       | J   |
|          |             | £                      | £                                    | £                          | £                  | £                  | £         | £                       |   |

|                    |                   |                  |                  |                |                   |                |                   |
|--------------------|-------------------|------------------|------------------|----------------|-------------------|----------------|-------------------|
| <b>Grand Total</b> | <b>30,735,070</b> | <b>2,924,000</b> | <b>3,134,890</b> | <b>737,970</b> | <b>-2,365,000</b> | <b>886,070</b> | <b>33,129,000</b> |
|--------------------|-------------------|------------------|------------------|----------------|-------------------|----------------|-------------------|

|                     |  |  |                  |  |  |  |  |
|---------------------|--|--|------------------|--|--|--|--|
| <b>TOTAL CHANGE</b> |  |  | <b>2,393,930</b> |  |  |  |  |
|---------------------|--|--|------------------|--|--|--|--|

|  |                   |  |  |  |  |  |                    |
|--|-------------------|--|--|--|--|--|--------------------|
| <b>Estimated HNB DSG income</b>        | <b>23,569,075</b> |  |  |  |  |  | <b>-24,686,000</b> |
| <b>Estimated SB DSG income</b>         |                   |  |  |  |  |  | <b>-822,000</b>    |
| <b>Estimated CSSB DSG income</b>       |                   |  |  |  |  |  | <b>-140,000</b>    |
| <b>Estimated Health Service income</b> |                   |  |  |  |  |  | <b>-81,000</b>     |

|                                    |  |  |  |  |  |  |                   |
|------------------------------------|--|--|--|--|--|--|-------------------|
| <b>Impact of 2023-24 overspend</b> |  |  |  |  |  |  | <b>-2,079,000</b> |
|------------------------------------|--|--|--|--|--|--|-------------------|

|                          |                   |  |  |  |  |  |                   |
|--------------------------|-------------------|--|--|--|--|--|-------------------|
| <b>Funding Shortfall</b> | <b>-7,165,995</b> |  |  |  |  |  | <b>-5,321,000</b> |
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| <b>On-going commitments</b> | <b>33,869,960</b> |  |  |  |  |  |  |
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## Further 2024-25 Council Budget Proposals

| Description<br>Impact   | 2024/25<br>£'000 | 2025/26<br>£'000 |
|---|------------------|------------------|
| <b><u>AD Learning and Achievement:</u></b>  |                  |                  |
| <b>Service efficiencies and additional income.</b>  |                  |                  |
| The proposal is planned to improve efficiency in the Business Support Services and will be effective from September, deleting a 1 FTE Administrative post that has a post holder, to be replaced with a 0.4 FTE Governor Service post. There is also a planned reduction in spend on general resources. | -24              | -7               |
| Management Information resources: Previous external commissioned organisations for data will be ceased for example Fisher Family Trust as data can be obtained from internal arrangements.  | -17              | 0                |
| A further saving from the Teacher Pension Fund historical commitments is anticipated.   | -12              | 0                |
| Through an increase in use of the Open Learning Centre room hire, an overall increase in income is expected.  | -20              | 0                |
| <b>Reduction to support services following on-going school academisation</b>  |                  |                  |
| Education Property - The proposal is to reduce the Head of Education Property post from 1 FTE to 0.5 FTE, to be partially offset by additional consultancy or a lower graded post.  | -40              | 0                |
| Standards and Effectiveness - The proposal is to delete a 0.5 FTE STEP to be partially offset by additional consultancy, planned to be effective from September.  | -12              | -8               |
| <b>Services for young people Not in Education, Employment or Learning</b>   |                  |                  |
| The proposal is planned to reduce the overall budget for NEET having been a budget that has historically been underspent. This was identified as an area to be looked into via the SV workshops by Headteachers and Parent Carer Forum.   | -73              | -52              |
| <b>PEOPLE TOTAL</b>   | <b>-198</b>      | <b>-67</b>       |

## Initial Equalities Screening Record Form

|   |   |   |   |
|---|---|---|---|
| <b>Date of Screening:</b> 27/11/23  | <b>Directorate:</b> People  |   | <b>Section:</b> SEND  |
| <b>1. Activity to be assessed</b>   | The council's proposed Safety Valve programme of activities. The Safety Valve programme will support our vision for children and young people with special educational needs and disabilities (SEND) in Bracknell Forest. Our vision is they achieve their full potential in their early years, at school and in college and lead happy and fulfilled lives. The programme will have a focus on inclusion and ensuring that children young people can access suitable provision within their local schools within their local communities. The programme seeks to ensure that provision and services are cost effective and value for money, with fair and equitable access for all children and young people with their differing needs, also ensuring sufficiency when taking into account predicted future rising levels of needs. |   |   |
| <b>2. What is the activity?</b>   | <b>Programme with several workstreams and projects</b>  |   |   |
| <b>3. Is it a new or existing activity?</b>   | <b>New</b>  |   |   |
| <b>4. Officer responsible for the screening</b>   | Duane Chappell, Head of SEND and Specialist Support Services  |   |   |
| <b>5. Who are the members of the screening team?</b>  | Duane Chappell, Harjit Hunjan, Kellie Williams, Chris Kiernan   |   |   |
| <b>6. What is the purpose of the activity?</b>  | The programme of activity will form the basis of a Safety Valve agreement with the DfE, should our submission be approved by the Secretary of State. The DfE's Safety Valve programme aims to support local authorities to address the significant overspend within the High Needs Block of the Dedicated Schools Grant to ensure that spending is managed in line with budget. Our Safety Valve programme has been approached as a continuation of our improvement journey and integral to the implementation of our SEND strategy. The programme consists of four workstreams: early intervention and demand management; right provision, right time; value for money services and effective pathways and transition.   |   |   |
| <b>7. Who is the activity designed to benefit/target?</b>   | Children and young people with special educational needs and disabilities, aged 0-25 years old, who draw funding from the High Needs Block. We also recognise that parents, carers and other family members may be impacted by the changes to provision and services.   |   |   |
| <b>Protected Characteristics</b>  | <b>Please tick yes or no</b>  | <b>Is there an impact?</b><br>What kind of equality impact may there be? Is the impact positive or adverse or is there a potential for both?<br>If the impact is neutral, please give a reason. | <b>What evidence do you have to support this?</b><br>E.g., equality monitoring data, consultation results, customer satisfaction information etc.<br>Please add a narrative to justify your claims around impacts and describe the analysis and interpretation of evidence to support your conclusion as this will inform members decision making, include consultation results/satisfaction information/equality monitoring data |
| <b>8. Disability Equality – this can include physical, mental health, learning or sensory disabilities and includes</b> | <b>Y</b>  | The impact is positive with some potential negative impacts.  | There are currently 1437 CYP in Bracknell Forest with an EHCP.  |

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| <p>conditions such as dementia as well as hearing or sight impairment.</p> |  | <p><b>Positive:</b></p> <p>Improved outcomes for children and young people from having their SEND needs met by early intervention.</p> <p>The money that we secure from the Safety Valve programme will mean that children's needs are identified earlier, and they are supported at an earlier stage, potentially avoiding a crisis.</p> <p>Less funding will be spent on out of borough placements through the development of specialist provision in borough, meaning that CYP with SEND will be able to access education within their local communities,</p> <p>Children and young people will feel more integrated and included within their local communities, with increased social opportunities and local friendship groups.</p> <p>Local provision will mean that children and young people will be able to access a quality education without having to travel long distances every day.</p> <p>The programme will focus on inclusion and ensuring that services operate on a needs-led basis rather than being diagnosis- or EHCP-led. This will mean that more children and young people will have their needs met earlier, at SEN support, via the 'assess, plan, do, review process' within education settings (referred to in the Safety Valve programme as the graduated approach), leading to earlier access to services where required.</p> <p><b>Potential negative impact:</b></p> <p>To ensure value for money within the High Needs Block, models of service delivery will change, and this might have a negative impact on CYP and their families in terms of the services they have been used to accessing. This could be due to disruption to family routines and the potential impact on mental health from needing to adjust to a change.</p> <p>The Safety Valve programme has had some negative coverage in the national press, and this may lead to</p> | <p>The educational attainment gap between pupils with SEND needs and all other pupils is wider in Bracknell Forest than in other comparable LA areas, and England as a whole. Better quality, local provision for pupils with high levels of need will provide schools with the facilities and resources they need to improve these pupils' progress and outcomes.</p> <p>The Safety Valve programme aims to bring spend in line with budget, whilst ensuring good outcomes for children and young people with SEND. In order to achieve this, there will need to be changes to models of service delivery.</p> |
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|                            |  |   | <p>anxiety and concern amongst parents, carers, children and young people that the programme could mean a reduction or loss of service or support.</p>  | <p>Engagement activity took place with the PCF during the period our Safety Valve plans were being developed. Through this engagement, feedback was received that there is a level of anxiety amongst parents and carers about the impact that Safety Valve may have, based on information in the public domain about the SV programme in other areas.</p>   |
| <b>9. Racial equality</b>  |  | N | <p>It is not anticipated that the Safety Valve programme will have either a positive or negative impact in terms of racial equality. This is because ethnicity data for school aged children from the January 2023 school census data is broadly aligned to the ethnicity of children and young people with an EHCP, so no one group will be adversely affected.</p>  | <p><b>School Census data (January 2023) compared to EHCP data (November 2023):</b></p> <p>White (all white backgrounds) – Census 80.7% and EHCP 80%</p> <p>Black (all black backgrounds) – Census 3.1% and EHCP 3%</p> <p>Asian (all Asian backgrounds) – Census 7.1% and EHCP 5.6%</p> <p>Mixed (white and black backgrounds) – Census 2.4% and EHCP 2.3%</p> <p>Mixed (white and Asian backgrounds) – Census 2.2% and EHCP 1.3%</p> <p>Mixed (other) – Census 2.3% and EHCP 2.2%</p>   |
| <b>10. Gender equality</b> |  | Y | <p>A much higher percentage of males than females have an EHCP. The sustainability of the High Needs Block and the use of funding available from the Safety Valve programme should therefore benefit males, who are much more likely to need an EHCP.</p> <p>Whilst the support offered through the additional HNB funding will not be targeted specifically at males, they will benefit positively because more males than females have an EHCP.</p> | <p>71% of EHCPs in Bracknell Forest are for boys.</p> <p>Autism is the main priority need within Bracknell Forest, which is reflection of the national picture, and funding within the HNB will be used to fund interventions and provision for CYP with autism.</p> <p>Of the 655 CYP with an EHCP with autism as the primary need, 75% are male and 25% are female. This is also reflective of the national picture; evidence shows that autism is nearly four times as common among boys than girls.</p> <p>Autistic characteristics in women and girls may differ from those of other autistic people. They might seem to have fewer social difficulties than autistic men and boys, but this could be because they are more likely to</p> |

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|  |  |  | <p>'mask' their autistic traits (though the stress of doing so can result in anxiety and overwhelm). At school, autistic girls may be more likely to be part of a friendship group and this could be a reason that teachers do not notice their differences. They may also be missed if their academic achievement masks difficulties they are facing in other areas. (National Autistic Society). In delivering the Safety Valve programme, this will be considered, and relevant support and information included as appropriate, e.g., in developing our specialist resource provisions (and associated specialist support), in training sessions, information, advice and guidance and signposting.</p>   |
| <b>11. Sexual orientation equality</b> |  | <p>We do not collect data on sexual orientation within either the school census or the EHCP dataset. Therefore, it is not possible to quantify whether there will be an impact on CYP in relation to their sexual orientation.</p>   | <p>Contemporary research on the intersection of autism, sexuality, and gender identity asserts that autistic individuals are more likely to identify as LGBTQIA+ than the neurotypical population. Similarly, the prevalence of autism is higher among transgender people than cisgender individuals. Autistic individuals who identify as LGBTQIA+ face increased discrimination in access to care, cultural stigmas, and violence. Such experiences can drive poor mental and suicidality which are already high among autistic and LGBTQIA+ communities. <i>(From the Autism Research Institute)</i></p> <p>Sexual orientation issues may be masked by social, emotional and mental health difficulties making early intervention and support more difficult to deliver effectively.</p> |
| <b>12. Gender re-assignment</b>        |  | <p>We do not collect data on gender reassignment within either the school census or the EHCP dataset. Therefore, it is not possible to quantify whether there will be an impact on CYP in relation to their gender reassignment.</p> | <p>There is some evidence to show a link between gender dysphoria and autism, and that autistic people may be more likely than other people to have gender dysphoria. However, there is little evidence about the reason(s) why, and some recent research suggests the link between autism and gender dysphoria is not so clear. More research is needed. More research is also required to develop and test assessment tools, support and treatment for autistic people experiencing gender dysphoria. <i>(From the National Autistic Society)</i></p> <p>Gender identity issues may be masked by social, emotional and mental health difficulties making early</p>  |

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|  |   |  | intervention and support more difficult to deliver effectively.   |
| <b>13. Age equality</b>                            | Y | <p>The proposed Safety Valve programme seeks to increase the number of specialist provision places primarily at secondary school age (although the primary SRPs will also be reviewed). CYP at secondary age are currently disproportionately impacted by the lack of specialist provision in the borough, and therefore the programme will support activity that will positively impact those CYP.</p> <p>Improved transition and post-16 pathways will support young people as they move into adulthood.</p> <p>Early intervention and support will be implemented to give early access to children, young people and their families via the 'assess, plan, do, review process' within education settings (referred to in the Safety Valve programme as the graduated approach). This should prevent delays in the EHCP assessment process where children are "not known to services".</p> | There are already sufficient specialist resource provisions hosted by Bracknell Forest primary schools, however the level of provision at secondary school age is currently limited. There are proposals within the Safety Valve programme to increase specialist provision, specifically focused on meeting the needs of CYP aged 11-16 years old who are currently negatively impacted by the lack of in borough provision. |
| <b>14. Religion and belief equality</b>            |   | We do not collect data on religion and belief within either the school census or the EHCP dataset. Therefore, it is not possible to quantify whether there will be an impact on CYP in relation to their religion or belief.   | There is no anticipated impact to this characteristic.  |
| <b>15. Pregnancy and maternity equality</b>        |   | It is not envisaged that there will be an impact on pregnancy and maternity equality.  | There is no anticipated impact to this characteristic.  |
| <b>16. Marriage and civil partnership equality</b> |   | It is not envisaged that there will be an impact on marriage and civil partnership equality.   | There is no anticipated impact to this characteristic.  |

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| <p><b>17. Please give details of any other potential impacts on any other group (e.g., those on lower incomes/carers/ex-offenders, armed forces communities) and on promoting good community relations.</b></p>   | <p>We receive regular feedback from parents and carers that access to specialist provision is challenging and that seeking to secure appropriate support and provision for their CYP can be stressful. A successful Safety Valve deal will unlock the potential for significant investment in developing local provision. As our Safety Valve plans have been developed, we have engaged with the Bracknell Forest Parent Carer Forum (PCF). We also held a workshop session with members of the PCF to review all areas of spend from the High Needs Block. The PCF feedback from this session was used to inform the development of the Safety Valve plan, ensuring that areas identified as valuable by the PCF were not affected by the draft proposals.</p> <p>A block transfer (transfer of funds from the Schools Block to the High Needs Block) will add further pressures to the schools' budgets and will result in schools having to identify savings elsewhere in their budget. This could negatively impact on CYP without SEND, but it is considered that the benefit of achieving a sustainable high needs budget to support CYP with SEND outweighs the risk of a negative impact. To mitigate the risk, the agreed block transfer proposals ensure that no school will fall below the minimum per pupil funding, meaning that six schools will make no contribution to the block transfer.</p> <p>In making this assessment we have given due consideration to our commitment to the Armed Forces Covenant duty. For CYP from armed forces families, they will be able to access in year transfers to local provision as this is increased as part of the Safety Valve programme.</p> |          |            |
| <p><b>18. If an adverse/negative impact has been identified can it be justified on grounds of promoting equality of opportunity for one group or for any other reason?</b></p>  | <p>Whilst we have identified the potential for some adverse impacts, we believe that these are at a level where we can seek to mitigate them.</p>  |          |            |
| <p><b>19. If there is any difference in the impact of the activity when considered for each of the equality groups listed in 8 – 14 above; how significant is the difference in terms of its nature and the number of people likely to be affected?</b></p> | <p>The main impact will be for CYP with SEND in the borough (see section on disability equality above).</p> <p>There will be a significant positive impact for CYP with SEND as a result of the new specialist provision in the borough. This will allow CYP to have access to a quality education, leading to good educational attainment, whilst reducing the amount of time they spend travelling to out of borough placements and supporting them to develop relationships within their local community. The programme will also ensure that access to the right provision will be available across both primary and secondary phases.</p>   |          |            |
| <p><b>20. Could the impact constitute unlawful discrimination in relation to any of the Equality Duties?</b></p>  |  | <p>N</p> | <p>N/A</p> |
| <p><b>21. What further information or data is required to better understand the impact? Where and how can that information be obtained?</b></p>   | <p>If our Safety Valve proposals are agreed, we will continue to hold coproduction and engagement sessions with key stakeholders (school leaders, parents and carers and health colleagues) to support the development and delivery of our programme. This activity will enable us to better understand the impact of the programme.</p> <p>As part of the development of our individual project plans within the programme, we will consult, engage and coproduce with key stakeholders, including schools, parents and carers, children and young people and health colleagues. As part of this work, consideration will be given to the potential equalities impacts of each project, once the high-level programme plan is developed into more detailed implementation plans, which will allow us to better understand any further potential impact. These equalities screening records will also consider how the equalities impacts will be monitored for each project.</p>  |          |            |

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| <p><b>22. On the basis of sections 7 – 17 above is a full impact assessment required?</b></p> | <p style="text-align: center;">N</p> <p>Please explain your decision. If you are not proceeding to a full equality impact assessment, make sure you have the evidence to justify this decision should you be challenged.</p> <p>At this stage we do not consider that a full impact assessment is required. This is for the following reasons:</p> <ul style="list-style-type: none"> <li>• This initial equalities screening record has been done on the basis of a high-level programme plan included within our Safety Valve submission. There are as yet no definite plans about new models of delivery and/or which services may be affected, and the council has not yet entered into a Safety Valve agreement with the DfE.</li> <li>• As work is done to further develop the programme, and put in place the workstreams and projects required, equalities screenings will be done for individual projects and more detailed information will be available to support the assessment. Key stakeholders will be involved in the individual initial equalities screening records, such as parent and carer representatives and school leaders, to ensure full consideration is given to potential impacts.</li> <li>• We have held engagement sessions with head teachers, chairs of governors and the PCF during the development of the programme and have used the feedback from these sessions to inform this high-level screening.</li> <li>• Where there are any significant changes to services or provision as part of the Safety Valve work, we will carry out formal consultation with the appropriate stakeholders.</li> </ul> |

**23. If a full impact assessment is not required; what actions will you take to reduce or remove any potential differential/adverse impact, to further promote equality of opportunity through this activity or to obtain further information or data?** Please complete the action plan in full, adding more rows as needed.

| <b>Action</b>  | <b>1.1 Time scale</b> | <b>1.2 Person Responsible</b>                                      | <b>1.3 Milestone/Success Criteria</b>  |
|--|-----------------------|--|--|
| Complete initial equalities screening records for individual projects as part of the implementation planning. These will be coproduced with key stakeholders and will determine whether a full impact assessment is required for any area of the programme | Ongoing               | 1.4 Assistant Directors: Education and Learning and Strategic      | 1.5 Appropriate equalities screening process and records in place for all projects as required |
| Regular engagement and consultation with headteachers, chairs of governors   | Ongoing               | 1.6 Executive Director People and Assistant Director Education and | 1.7 Development of Safety Valve plans with school leaders                                      |



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| Regular engagement and consultation with parent and carer representatives   | Ongoing   | 1.8 Executive Director People and Assistant Director Education and                             | 1.9 Development of Safety Valve plans with parent and carer representatives |
| Establish effective governance arrangements for the Safety Valve programme, including identification of appropriate KPIs to manage impact   | Ongoing   | 1.10 Executive Directors: Resources and People   | 1.11 KPIs identified<br>Governance and monitoring arrangements in place     |
| Develop communication plan for the implementation of the Safety Valve programme that specifically address concerns and/or potential negative impacts identified within this screening record. | Ongoing   | 1.12 Assistant Director Education and Learning and Deputy Head of Communications and Marketing | 1.13 Comms plan developed and shared with key stakeholders                  |
| <b>24. Which service, business or work plan will these actions be included in?</b>  | 1.14 SEND   |  |   |
| <b>25. Please list the current actions undertaken to advance equality or examples of good practice identified as part of the screening?</b>   | 1.15 Improvements in data quality to ensure we can effectively monitor the impact on groups with protected characteristics. |  |   |
| <b>26. Assistant Director/Director signature.</b>   | 1.16 Signature: D. Chappell   |  | Date: 22/12/23  |