

**Agenda Item**

**Report to Schools Forum**

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**For Information and Recommendation**

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**High Needs Block (HNB) Proposed Budget 2025-26**

**1. Purpose of the Report**

1.1 To inform Schools Forum of the proposed HNB budget for the financial year 2025-26.

1.2 To seek comments on the proposed unit funding levels for 2025-26.

**2. Background**

2.1. The HNB allocation for 2025-26 is £50.107m and comprises of: -

<b><u>High Needs Block Allocation</u></b>	
	<b>£m</b>
Basic Calculation	46.067
Special Schools	3.591
Pupils Net Export	-0.294
Hospital Education	0.618
Teachers Pay & Pensions	0.125
<b>TOTAL</b>	<b>50.107</b>

2.2 Bury's HNB allocation is relatively high when compared to statistical neighbours. Any movement towards a more "rational" formula will not be favourable.

2.3 The proposed summary of budgeted spend and income is as follows: -

<b>Summary of Bury HNB Budget 25-26</b>			
	<b>£m</b>	<b>App</b>	<b>%age</b>
<b>Expenditure</b>			
Special Schools & PRU	20.928	1	38
Resourced Provision	2.856	2	5
EHCP Funding	29.618	3	53
Inclusion and Home Tuition	1.026	4	2
SEN Support Services	1.123	4	2
<b>Total Expenditure</b>	<b>55.551</b>		<b>100</b>
<b>Income</b>			
HNB Allocation	-50.107		
Health Funding	-1.600		
Schools Block Transfer	-0.200		
Bury Council Contribution	-2.000		
FE Direct Funding Adjustment	1.272		
PSV Income	-0.702		
<b>Total Income</b>	<b>-53.337</b>		
<b>In Year Deficit</b>	<b>2.214</b>		
<b>Deficit B/f (Appx)</b>	<b>20.319</b>		
<b>Budgeted Deficit C/f</b>	<b>22.533</b>		

This shows a budgeted deficit of £2.214m which is far from ideal. At the time of writing this report the Schools Block can only afford to transfer £0.2m against a target of £0.7m.

### 3. Risks to the Budget

- 3.1 A deficit is already budgeted for and any overspends will increase the deficit further.
- 3.2 The PSV income is not guaranteed and maybe withdrawn.
- 3.3 The health income is subject to negotiations and may well reduce.
- 3.4 EHCP numbers could increase higher than what is provided in the budget.

### 4. Unit Values

- 4.1 The unit values included within the budget are as follows.

<b>Unit Values Included in the HNB Budget 2025-26 (Special Schools and PRU)</b>			
	<b>Value 24-25</b>	<b>Value 25-26</b>	<b>%age Increase</b>
<u>Special Schools and PRU</u>	£	£	
-			
Band A	9,000	9,180	2
Band B	11,300	11,530	2
Band C	13,500	13,770	2
Band D	18,000	18,360	2
Band D+	25,200	25,700	2
Band E	40,000	40,800	2
Special	31,000	31,620	2
Special	50,400	51,410	2
Perm Excluded	8,590	10,250	19

The Permanent Excluded Rate increase was not recommended at the last Forum meeting. This was considered in great detail and unfortunately the current situation with the building and the fact that rates were below most GM LA's it has been deemed necessary to increase this. This can be reviewed in future.

<b>Unit Values Included in the HNB Budget 2025-26</b>			
<b>Mainstream Schools</b>			
	<b>Value</b>	<b>Value</b>	<b>%age</b>
	<b>24-25</b>	<b>25-26</b>	<b>Increase</b>
<u>Mainstream Schools</u>	£	£	
-			
Band 1	2,500	2,500	0
Band 2	5,000	5,000	0
Band 3	7,500	7,500	0
Band 4	10,000	10,000	0
Band 5	12,500	12,500	0
Res Provision	8,000	8,000	0

The nil increase for mainstream schools is in line with the Management Plan. The numbers of EHCP's are increasing and so are the numbers of higher bands. It is therefore not possible to increase the unit values.

## **5 Special Schools**

5.1 The place numbers, unit values top ups etc for special schools are shown in Appendix 1.

5.2 Table A shows the numbers up to August and those from September, where there are changes. Table A is top ups only.

Table B is a summary of all the budgeted amounts for all special schools.

5.3 The budget assumes that special schools will be full (excluding OOB pupils) which is the ideal situation, in order to avoid more expensive independent special schools. In reality, there is likely to be some vacancies which would lead to a saving in this budget, however that would probably just offset a pressure in the independent sector budget.

## **6 Resourced Provision**

6.1 A summary of the Resourced Provision Budget is given in appendix 2. As with special schools it is hoped that most be places will be occupied in order to avoid more expensive costs.

6.2 There is an issue that there are far more primary RP places than in the secondary sector. This can lead to issues at transition and something that is being considered as part of the Management Plan going forward

## **7 EHCP's Budgets**

7.1 A summary of the EHCP budgets is provided within appendix 3. There are significant risks in this area as highlighted in the notes of this appendix.

## **8 SEN Inclusion and SEN Support Services**

8.1 A summary of central SEN support services is given in appendix 4. This is for the purpose of completion and there are not any risks associated with these budgets.

## **9 Management Plan**

9.1 A considerable amount of work needs to be carried out in order to pay back the deficit in the next 4 years. Schools Forum will be informed of future progress on this.

## **10 Conclusions**

10.1 The budget is in a £2.2m deficit position which is a huge risk and makes future recovery more difficult.

10.2 Even allowing for this deficit many of the targets are challenging.

10.3 The above 2 factors mean it is not possible to increase special school factors by more than 2% and mainstream schools by 0%.

**Table A Top Ups Only**

**Appendix 1**

Band	Value £	Millwood		From August		Total £ £	Elms Bank All Year	
		Until August Nos	£	Nos	£		Nos	£
A	9,180						31	284,580
B	11,530						84	968,520
C	13,770	57	329,009	65	519,865	848,873	100	1,377,000
D	18,360	97	746,523	111	1,183,692	1,930,214	109	2,001,240
D+	25,700	17	183,139	19	283,615	466,754	5	128,500
E	40,800							
Special	31,620	2	26,509	2	36,731	63,240		
Special	40,800						6	244,800
Special	51,410	2	43,100	3	89,580	132,680		
Totals	Top ups	175	1,328,279	200	2,113,483	3,441,762	335	5,004,640

**Table A Top Ups Only**

Band	Value £	Cloughside		Spring Lane		Brookhaven				
		All Financial Year		All Financial Year		Until August		From August		Total £
		Nos	£	Nos	£	Nos	£	Nos	£	
1	11,420	34	388,280			24	92,353	29	154,626	246,980
2	14,360	14	201,040			15	72,497	25	167,422	239,919
Hospital	26,010	14	364,140			5	28,860	15	119,969	148,829
B	11,530			6	69,180	5	38,481	5	53,319	91,800
C	13,770			20	275,400					
D	18,360			20	367,200					
PEX	10,250			90	922,500					
Totals	Top ups	62	953,460	136	1,634,280	49	232,191	74	495,337	727,528

**Table B All Funding Streams**

**Summary of Total Budgetted Numbers and Amounts for Special Schools**

School	Equated Nos (Places)	Place Funding £	Top up Funding £	Tpeg £	Split Site £	Rents £	Total £	Total Funding per Place £
Millwood	190	1,895,833	3,441,762	125,125			5,462,720	28,814
Elms Bank	356	3,560,000	5,004,640	234,960	146,020	250,000	9,195,620	25,830
Brookhaven	80	800,000	727,528	52,800			1,580,328	19,754
Cloughside	62	620,000	953,460	31,680			1,605,140	25,889
Spring Lane	136	1,360,000	1,634,280	89,760			3,084,040	22,677
TOTALS	824	8,235,833	11,761,670	534,325	146,020	250,000	20,927,848	25,411

**Summary of Budgeted Resource Provision**

Schools	Sector	Placement Costs £	Est Top Ups £	Total £
Chantlers RP	Primary	100,000	80,000	180,000
East Ward RP	Primary	200,000	160,000	360,000
Higher Lane Primary RP	Primary	124,167	99,333	223,500
Mersey Drive RP	Primary	140,000	112,000	252,000
Our Lady of Lourdes KS2 RP	Primary	100,000	80,000	180,000
Summerseat RP	Primary	100,000	80,000	180,000
Unsworth Primary RP	Primary	140,000	112,000	252,000
Woodbank RP	Primary	120,000	96,000	216,000
Woodhey High RP	Secondary	150,000	120,000	270,000
Hoyle Nursery RP	Nursery	120,000	96,000	216,000
Whitefield Hub / The ARK SEND Unit	Primary	35,000	28,000	63,000
Peel Brow	Primary	83,333	66,667	150,000
Our Lady of Lourdes KS1 RP	Primary	83,333	66,667	150,000
Secondary RP	Secondary	58,333	46,667	105,000
Contingency Costs			58,333	58,333
<b>TOTALS</b>		<b>1,554,167</b>	<b>1,301,666</b>	<b>2,855,833</b>

### Appendix 3

Summary of EHCP Funding	£m	Note
Early Years SEN Support Plus Funding	0.030	1
Early Years EHCP Funding	0.270	1
Mainstream EHCP Top-Up	11.822	2
Recoupment from Other LAs	-0.200	
Independent School Providers	12.411	3
EHCP Funding - Pupils in OOB Schools	1.680	
Post-16 SEND Commissioned Places	1.957	
Alternative Provision	0.979	
Personal Budgets for Education	0.630	
Therapy Funding for SEND Pupils	0.040	
<b>TOTAL EHCP Funding</b>	<b>29.618</b>	

#### Notes

- 1 These budgets were previously part of the Early Years Block DSG, which was incorrect. Within the totality of the DSG deficit this virement is neutral.
- 2 This allows for 28 new EHCP's from April and 25 from September. This is a challenging number and there is a risk of it being exceeded. There is also an estimate for anticipated leavers in September.
- 3 The Independent School budget allows for 207 pupils at an average cost of £59,955. There are currently 230 pupils within this sector and again this target is challenging.



#### Appendix 4

<b>Summary of SEN Inclusion Services</b>	<b>£</b>
Primary Inclusion Partnerships	175,200
Outreach Team	694,500
Secondary Inclusion Partnerships	34,700
Home Tuition	86,600
Hospital Tuition	35,000
<b>Total Inclusion and Home Tuition</b>	<b>1,026,000</b>
Bury Safeguarding Children Partnership Recharge	41,200
Sensory Support Team (HI and VI Team)	1,081,800
<b>Total Send Support Services</b>	<b>1,123,000</b>