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# HNB Benchmarking

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**Report being considered by:** Schools' Forum on 10<sup>th</sup> December 2018

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**Item for:** Information **By:** All HFG members

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## 1. Purpose of the Report

- 1.1 To provide comparative information on HNB spending across Local Authorities in the South East

## 2. Recommendation(s)

- 2.1 N/A

<b>Will the recommendation require the matter to be referred to the Council or the Executive for final determination?</b>	Yes: <input type="checkbox"/>	No: <input type="checkbox"/>
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## 3. Introduction/Background

- 3.1 The Forum has requested information on comparative spending on the High Needs Block across Local Authorities.
- 3.2 The spreadsheet attached at Appendix A shows West Berkshire's 2017-18 High Needs Block budgets compared to HNB budgets for the 19 other Local Authorities in the South East and compared to the South East average. This information comes from the DfE's HNB Benchmarking Tool. The data shows planned spend (ie. budget) as opposed to actual spend. This is the most up to date information on the HNB Benchmarking Tool. The information has not yet been updated for 2018-19.
- 3.3 HNB budgets are grouped in to 5 groups as follows:
- Planned places
  - Top up for maintained schools, academies, free schools and FE Colleges
  - Top up for non maintained and independent special schools
  - SEN Support Services
  - Alternative Provision
  - Hospital Education
- 3.4 Planned spend against each of these headings is shown as spend per head of the 2 to 18 year old population in the Local Authority.

- 3.5 The data should be treated with a degree of caution because of potential inaccuracy in data entry by Local Authorities, but gives a broad idea of comparative spend across Local Authorities.
- 3.6 The West Berkshire budget for **Planned Places** was £127 per head compared to a South East average of £126 per head. The range across the 19 Local Authorities in the South East was £84 to £173. West Berkshire has a relatively high planned place budget compared to other unitary authorities, mainly because we fund all of the places at Brookfields School even though less than half of them are occupied by West Berkshire children. However, this funding is effectively recouped through the import / export adjustment. Local Authorities with a high spend on planned places are likely to have a lower spend on non maintained and independent special school places as are they are maintaining more of their own in house provision.
- 3.7 The West Berkshire budget for **top up funding in maintained schools, academies, free schools and FE colleges** was £206 per head, slightly above the South East average of £196 per head, but below the England average of £216. The range across the South East was £86 to £297. More work would need to be done to disaggregate the components of the per head figure, which includes mainstream schools (both maintained and academy), special schools (both maintained and free) and FE Colleges. A high per head spend on this top up budget is not necessarily negative as it may correspond to a lower per head spend on non maintained and independent special schools.
- 3.8 West Berkshire's per head budget for **non maintained and independent special schools** was £122, slightly higher than the South East average of £111. The range was £21 to £189. West Berkshire's spend compares very favourably with spend in Wokingham, Bracknell and Windsor and Maidenhead, at £167, £182 and £189 respectively. However, spend in Reading and Slough is much lower at £85 and £21 respectively. There may be social and cultural factors involved in these discrepancies. More highly educated and affluent parents tend to prefer independent special schools to local provision and are more likely to appeal to the SEND Tribunal to obtain these placements, even though local provision can meet needs. Certain ethnic groups, on the other hand, have a strong preference for mainstream over special provision and this may partly account for the very low spend in Slough. Larger Local Authorities would be expected to have a lower per head spend as they are able to maintain more of their own provision. However, this is not consistently the case, with Buckinghamshire, East Sussex, Surrey and West Sussex all having a higher per head spend than West Berkshire and higher than the SE average. Some large county LAs do fit the expected pattern of a lower per head spend, for example, Hampshire, Kent and Oxfordshire. There are some unitaries with a lower per head spend than West Berkshire, including Brighton and Hove, Portsmouth and Southampton. This warrants further investigation. It would be useful to look at the mainstream to special school placement ratio for children with EHCPs in those areas to see whether greater inclusivity in mainstream schools is a factor. Brighton and Hove has a very high spend on SEN support services which might be helping to maintain more children in mainstream schools. It should be borne in mind that there are some factors unique to West Berkshire influencing this spend, including an exceptionally high number of children with ASD and the presence of Mary Hare School for the Deaf in Newbury which attracts children from all over the country.

- 3.9 The West Berkshire per head budget for **SEN Support Services** was £44, lower than the SE average of £52. The range was £14 to £101.
- 3.10 West Berkshire's per head budget for **Alternative Provision** was £15 compared to a SE average of £10. The range was from £0 to £29.
- 3.11 West Berkshire's per head budget for **Hospital Education** was £1 compared to a SE average of £2. The range was £0 to £16.
- 3.12 The West Berkshire **Therapies** budget shows in the Benchmarking Tool as £8 per head compared to a SE average of £3 per head and a range of £0 to £14 per head. This is the biggest discrepancy between West Berkshire and the SE average and needs further investigation. It is curious that 11 Local Authorities have reported £0 spend on therapies as there are very clear statutory duties on LAs to provide speech and language therapy and occupational therapy when it is written in to an EHCP Plan as an educational need. (It is rarely possible to argue that these therapies do not constitute an educational need as they are necessary to give access to the curriculum). It seems very unlikely that there are LAs who are not funding any therapies. Most of the LAs who reported £0 budget for therapies are showing a higher than average spend on SEN Support services, so it is possible that they may have included therapies under the SEN Support heading. Another possibility is that they are funding therapies from a central Council budget rather than the HNB (which used to be the case in West Berkshire). The only other explanation would be that in those areas the NHS is funding all therapy provision, but it seems very unlikely in the current financial climate that the NHS would take responsibility for services which it has no statutory duty to fund. This issue does require further work and will be raised with the local Clinical Commissioning Group and the Berkshire Healthcare Foundation Trust, which is commissioned to provide the service.

## 4. Supporting Information

- 4.1 Some additional, more recent information has been obtained from other Local Authorities in the South East and is attached at Appendix B.
- 4.2 This information shows the overspend in 2017-18 on the HNB for each LA, as a total amount and as a % of the HNB. It also shows the projected overspend for 2018-19 based on June 2018 data.
- 4.3 Not all Local Authorities submitted the information so it is incomplete in parts, but does show the severity of the pressure on HNB budgets across the region.
- 4.4 The information has been anonymised as permission has not been given by the Local Authorities for it to be shared.
- 4.5 All but three of the LAs who responded were overspent on their HNB in 2017-18. Overspends ranged from 1.2% of the budget to 18.3% of the budget. West Berkshire's overspend was the second lowest at 1.8%
- 4.6 All but two of the LAs who responded were predicting an overspend in 2018-19.
- 4.7 Predicted overspend data for 2018-19 was produced in the summer. Predicted overspends ranged from 1.1% to 21% of the budget. West Berkshire's predicted overspend is now at 5%, having increased since the data was provided, but it is

possible that other LAs' projected overspends will also have increased since the data was produced.

- 4.8 Of the 13 LAs who responded and who had overspends in 2017-18, 8 (including West Berkshire) are predicting a higher overspend in 2018-19 than in 2017-18. Five are predicting a lower overspend in 2018-19 than in 2017-18. If these predictions turn out to be correct, it would be helpful to understand the strategies these LAs have used to bring their overspends down.

## 5. Options for Consideration

- 5.1 N/A

## 6. Proposals

- 6.1 N/A

## 7. Conclusion

- 7.1 For further discussion at HFG / Schools Forum.

## 8. Consultation and Engagement

- 8.1 N/A

## 9. Appendices

- 9.1 Appendix A – HNB Benchmarking Tool Data 2017-18
- 9.2 Appendix B – SE Regional Benchmarking Data provided by Local Authorities (anonymised)