

People Directorate

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To :

- Phil Johnson, Chair and Nicci Burton, Vice Chair of SF
- All Schools/Academies
- Heads Up

13 February 2023

Dear Heads, Governors and Finance Leads

As you will be aware, Warwickshire County Council sent a consultation paper to all Schools and Academies on 10 October 2022. This was to inform the recent Extraordinary Schools Forum meeting held on 10 November 2022, where Schools Forum were asked to vote on a 0.5% transfer or 0.25% of the 2023/24 Schools Block funding to the High Needs Block, to address part of the projected High Needs 2023/24 overspend.

At the meeting on 10 November, Schools Forum noted that only 21 out of 231 schools responded to the consultation. 67% of responses responded 'No' to both consultation questions of whether a 0.5% or 0.25% transfer should be made. Schools Forum voted against both the 0.5% and the 0.25% transfer at the schools Forum meeting.

For such a significant consultation on c.£2m, which would have an impact on 166 schools, we would encourage schools to respond to future consultations in order to have improved feedback for Schools Forum Members to consider when voting.

Despite the Schools Forum decision, it is still possible for the Local Authority to make a disapplication request to the Secretary of State to move up to 0.5% of funding. The deadline for submitting this disapplication this year was 18th November 2022.

Colleagues will be aware that there is an expectation from the DfE that local authority areas balance the High Needs Block and the DfE has taken a number of steps with local authorities to take action to achieve this. This includes the Delivering Best Value programme and Warwickshire will begin working with the DfE's approved consultancy company on this in July 2023, complementing and dovetailing with our existing SEND Transformation Programme.

The Council cannot set a deficit budget, and responsible financial management requires that the Local Authority, in acknowledging the forecast High Needs overspend, sets aside sufficient funds from Council Tax to offset the projected deficit. This therefore limits other investments and expenditure on Council services and increases the Council's overall need to deliver savings.

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Despite the above, the Council decided that for this year it would not submit an independent disapplication to the Secretary of State to request any of the 0.5% of funding be moved. The Council is keenly aware of the financial situation schools face this year and next, notwithstanding the funding announced by national government in the autumn statement which became public after the Council took the decision not to apply. The Council values the strong relationships with Schools Forum and with all schools. The Council recognises that unlike previous years the transfer would have impacted schools' budgets rather than being funded from prior year Schools Block underspends.

It has been a difficult decision to take and been the subject of much debate within the Council. Please note that the progress of the SEND and Inclusion Change Programme is a factor that contributes to this decision, as it is critical that the change programme continues to deliver support within Warwickshire's own schools. This will enable children to be educated locally and also make best use of the resources available. In turn this will reduce the deficit. For this to be successful, it is important that we all play our part in the necessary interventions and workstreams. We all recognise the challenges that schools, and services are facing and continue to work together to address; it is not easy. The situation will be reviewed again each year, for the next financial year, and will take account of the progress of the SICP and forecast deficit on High Needs, but we thought you would appreciate some more detail on the decision that has been taken for 2023/24.

Yours sincerely



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