

HIGH NEEDS BLOCK DEDICATED SCHOOLS GRANT (HNB DSG)

A guide for Local Authorities on
activities that can be funded using the
HNB DSG

1. Introduction & background

- 1.1. As is the case with many grants awarded to local authorities, the High Needs Block (HNB) of the Dedicated Schools Grant (DSG), has funding rules which provide Local Authorities (LA's) with information on what the grant awarding body – in this case central government – expect from LA's regarding how the grant is utilised.
- 1.2. LA's have not always found it easy to interpret these published rules and this has resulted in inconsistent practice across LA's.
- 1.3. A group of LA officers representing eight London LA's attended a series of meetings to discuss practice in those LA's and where there were differences in the application of HNB funding, those differences were subject to debate until a consensus was reached. This document provides the outcome of those discussions and is expected to be used as a guide by LA's in deciding what should and should not be paid using HNB funding.

2. Sources used to decide

- 2.1. The following documents were used as the main sources of information to understand the funding rules:
 - I. Section 251 budget guide for local authorities 2019 to 2020 ([Link](#))
 - II. The School and Early Years Finance (England) Regulations 2020 (SEYFR 2020) ([Link](#))
 - III. DSG Technical Note 2020 to 2021 ([Link](#))
 - IV. High Needs Funding Operational Guide 2020 to 2021 ([Link](#))

3. Activities often engaged by LA's which can be funded by DSG HNB

- 3.1. The following table summarises the activities where it was concluded that the costs can be funded using HNB funding:

Activity description	Source used to make the final decision
All forms of high needs 'place funding' to local special schools, Pupil Referral Unit's (PRU)/AP, mainstream schools and sixth form colleges	S251-1.0.2
All forms of 'top-up funding' related to children and young people (CYP) with an Education Health and Care Plan (EHCP). The recipient can be any type of organisation where the pupils are on roll – independent, mainstream, academies, PRUs, colleges, nurseries etc	S251-1.2.1 S251-1.2.2 S251-1.2.3
Support for Inclusion – where LA's engage specialist teachers and early-support officers in order to develop a school's capacity to meet pupils' needs through advice, support, training, modelling of programmes of learning and direct teaching.	S251-1.2.8
Additional high needs targeted funding for CYP where they could benefit from additional funding outside the normal EHCP top-up funding. This funding could be paid to the educational establishment where the CYP is on roll. Or it could be targeted funding paid to a supplier for the purchase of resources. Or it could be a direct payment to the family (parent/carers). This funding could be targeted at CYP who do not have an EHCP but are identified as having special educational needs by either LA officers or staff working at the school	S251-1.2.4
Expenditure on encouraging activities for children with SEN in schools. CYP who benefit from these activities do not necessarily need to have an EHCP as long as they are identified by LA officers or school staff as having SEN.	S251-1.2.8
Other alternative provision services for CYP with SEND , with and without an EHCP	S251-1.2.7
Any therapy costs incurred by the LA. This will usually be physical therapy	S251-1.2.13

Activity description	Source used to make the final decision
or any speech and language therapy.	
Any sensory impairment related costs incurred by the LA supporting CYP with visual impairment or hearing impairment. This will usually either be a team directly employed by the LA or a bought-in service.	S251-1.2.5
Home-visiting educational service for pre-school children with SEND and their families (Portage)	S251-1.2.8
SEN management staff and support staff working across SEND	SEYFR 2020- Schedule 2 para 32
Costs incurred by the LA for Elective Home Education (EHE) and Children Missing Education (CME) (for children with SEND)	S251-1.2.5
Any direct payments associated with CYP who have special educational needs and disabilities (SEND)	S251-1.2.11
Hospital education services for children resident in local authority area or those who are in the area because that is where they receive their health care.	S251-1.2.6
Any legal fees relating to CYP with SEN. For example associated with tribunals	SEYFR 2020 - Schedule 2 para 30
Any specialist intervention expenditure - encouraging the education of children and young people with special educational needs at schools	S251-1.2.8

4. Activities discussed where it was concluded that costs should not be funded by the HNB

4.1. The following table summarises the activities where it was concluded that the costs should not be funded using HNB funding:

Activity description	Source used to make the final decision
Educational Psychologists (core/statutory service)	S251-2.1.1
EHCP assessment team and coordinators	SEYFR 2020 - Schedule 1 para 2
Central Support Service Overheads - e.g. central recharges for finance, ICT, buildings.	GF or CSSB block
Education Welfare Service – all costs associated with safeguarding and the protection of children	SEYFR 2020 - Schedule 1 para 6
Homecare for disabled children	S251- 3.4.4

5. Areas of potential further work for this or another cross-LA working group

- 5.1. A consistent cost centre structure across LA's and consistent mapping to S251 to improve the ability to benchmark across LA's.
- 5.2. To be clear about the relationship between the HNB inclusion costs and the Inclusion Fund within the Early Years Block (EYB).
- 5.3. To improve clarity where duties are carried out above the minimum statutory duties e.g. where schools are provided with additional Education Psychologists services above the statutory minimum to promote inclusion.
- 5.4. To establish a consistent approach to support costs.
- 5.5. To consider sharing this document with the DFE for comments.