

# SCHOOLS FORUM



Report subject	<b>Schools Forum - Exceptional Circumstances Funding for 202526</b>
Meeting date	23 June 2025
Status	Public Report
Executive summary	<p>The report provides an update on:</p> <ul style="list-style-type: none"><li>- The Exceptional Circumstances Funding for 2025/26.</li><li>- The resolution of previously unpaid funding from Autumn 2023 to Spring 2025.</li></ul> <p>A revised criteria and funding model is now in place for 2025-26 that will be reviewed after 2 months to determine future frequency of calculation moving forwards.</p> <p>Previously unpaid funding amounts have now been paid to all eligible schools on 30.05.25.</p>
Recommendations	<p><b>It is RECOMMENDED that:</b></p> <p><b>Schools Forum are to note the contents of the report.</b></p>
Reason for recommendations	To update School's Forum on the Exceptional Circumstances Funding 2025-26

Portfolio Holder(s):	Councillor Richard Burton – Children and young People
Corporate Director	Cathi Hadley
Report Authors	Chris Lee, SEND & Inclusion Consultant
Wards	Council-wide
Classification	For Information

### **Background from High Needs Funding: 2025 to 2026 operational guide**

1. Local authorities are statutorily responsible for overseeing the local offer of services and provision to meet the special educational needs of children and young people in their area.
2. The government has made it clear that the general direction of SEND reform is towards establishing a mainstream school and college environment that is more inclusive of children and young people who need specialist SEND provision, including in SEN units and resourced provision (RP). DfE is working on a range of reforms that will facilitate that shift.
3. Local authorities can provide additional targeted funding from their high needs budget, and outside the main funding formula for mainstream schools and academies on a consistent and fair basis, where:
  - a. there is a disproportionate number of pupils with SEND, and/or with more complex SEND
  - b. that number cannot be reflected adequately in the funding they receive through the local funding formula
4. They should define the circumstances in which additional funding will be provided from their high needs budget, through a formula or other methodology agreed with schools. In all cases, the distribution methodology should be simple and transparent, and devised so that additional funds are targeted only to a minority of schools which have particular challenges because of their disproportionate number of pupils with SEN and/or high needs, or their characteristics.

### **Historical Context**

5. The last payment of Exceptional Circumstances Funding had been made to schools to cover the Summer Term 2023. No further payments had been made to schools since this date.
6. The Funding formula used to calculate the eligibility of schools was based upon a threshold of 3% of the school's pupil population having an EHC Plan. This figure was based on previous national and local averages and at a point where having higher than this level was considered to be exceptional for schools. Funding was then allocated to eligible schools from a budget of £600,000. This figure was established when the previous round of payments totalled £200,000 for one school term and it was agreed to increase the budget to reflect this cost across three terms in a school year.

7. From the point of the last payment, discussions had taken place between schools and the Local Authority, without resolution of how future eligibility would be decided and payments calculated.

### **New Funding Formula from 2025-26**

8. A new funding formula and eligibility criteria has now been established by the Local Authority that will take effect from the start of the financial year 2025-26, with effect from 1<sup>st</sup> April 2025 and so the Summer Term of 2025 as the first term affected.
9. A number of different models and eligibility criterion were considered by Local Authority Financial and Strategic Leaders to establish a transparent and equitable system that acknowledged the exceptional circumstances that now exist across a significant number of mainstream schools in BCP, whilst still recognising those schools at the extreme end of these circumstances.
10. This funding will now be based upon a threshold criteria split of 4% and 6% of the school population with EHCPs. Those schools reaching the 4% threshold criteria will receive an amount of additional funding per child with an EHCP in their school. Those reaching the 6% criteria will receive a further additional payment on top of the 4% payment allocation.
11. This calculation will be based on children with EHCPs in the school from BCP Council only. It will not include EHCPs from other Local Authorities.
12. The allocated pot of £600,000 per year remains the same and will be pro-rated using number of months in a term to calculate the available funding for each term. There is no additional financial impact on the overall High Needs Budget.
13. The schools eligible will be calculated each term using the School Census data for that term.
14. Therefore, the amount funded per EHCP will vary each term due to the number of months variation and number of schools sharing the funding pot.
15. For the Summer Term 2025 this will be calculated once the Census data becomes available which is expected to be towards the end of July 2025. Eligible schools will be informed once this has been calculated.
16. Schools will not be required to submit any costed plans for how they intend to spend this allocation. It will be automatically allocated to schools without the need to submit any bid or paperwork.
17. This process will be carried out on a termly basis for a year, covering three terms of payments. Once this has been completed a review exercise will be carried out to compare the difference in calculating the amounts on a termly basis as against calculating them on an annual basis. This will then inform a decision as to how frequently eligibility of schools will be calculated from that point onwards.

## **Resolution of unpaid funding from Autumn 2023 to Spring 2025**

18. Unpaid additional funding from Autumn 2023 and Spring 2025 has been calculated on the previous lower threshold of 3% of school population with an EHC Plan. This has been calculated for each of the school terms in that period.
19. A payment to reflect the backdated amounts for each eligible school has now been made, with money entering school accounts on 30<sup>th</sup> May 2025. Schools that were eligible were individually notified of the amounts they would be receiving for this payment.

### **Summary Financial Implications**

20. The financial implications of the Exceptional Circumstances Funding are set out in the body of the report.

### **Legal Implications**

21. The Schools Forum regulations require Schools Forum to be consulted on arrangements for pupils with high needs.

### **Summary of human resources implications**

22. There are no direct human resources implications from the recommendations in this report.

### **Summary of sustainability impact**

23. There are no direct sustainability impacts from the recommendations in this report.

### **Summary of public health implications**

24. The council is seeking to maintain appropriate services for the vulnerable as well as improve the sustainability of services important for the wellbeing of all residents.

### **Summary of equality implications**

25. Budget holders are managing their budgets with due regard to equalities issues.

### **Summary of risk assessment**

26. The overall high needs budget funding gap is an ongoing risk to the council's financial health. Government is aware of this national problem with an indication given that consultation on a way forward will be issued in due course.

### **Background Papers**

27. High Needs Funding: 2025 to 2026 operational guidance  
<https://www.gov.uk/government/publications/high-needs-funding-arrangements-2025-to-2026/high-needs-funding-2025-to-2026-operational-guide>

### **Appendices**

**None**