



Report subject	SEND Service – Exceptional Funding
Meeting date	22 June 2026
Status	Public Report
Executive summary	<p>This report provides an update on Exceptional Circumstances Funding arrangements for mainstream schools in Bournemouth, Christchurch and Poole for 2026/27. It reviews the 2025/26 funding model, sets out the financial and strategic context, and presents revised model options intended to ensure funding is transparent, sustainable and targeted to schools with the highest proportion of pupils with Education, Health and Care Plans. Schools Forum is asked to note the revised models, select the preferred option for 2026/27, and support ongoing review to ensure the approach remains fair, affordable and aligned with SEND reform priorities.</p>
Recommendations	<p>It is RECOMMENDED that:</p> <p>It is RECOMMENDED that Schools Forum: (a) note the revised Exceptional Circumstances Funding models; (b) select the preferred option for 2026/27; and (c) support ongoing review to ensure sustainability, fairness and alignment with SEND reform priorities.</p>
Reason for recommendations	<p>Additional funding should be targeted to a minority of schools facing particular challenges because of a disproportionate number of pupils with SEND or high needs. A revised model is required to ensure that limited High Needs Budget funding is distributed transparently, fairly and sustainably, and that exceptional funding remains focused on schools experiencing genuinely exceptional levels of EHCP need.</p>

Portfolio Holder(s):	Portfolio Holder for Children and Young People
Corporate Director	Corporate Director, Children's Services
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Wards	Council-wide
Classification	For recommendation

1. Background Detail

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.

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:

- there is a disproportionate number of pupils with SEND and/or with more complex SEND
- that number cannot be reflected adequately in the funding they receive through the local funding formula.

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. This is outlined in the High Needs Operational Guidance in section 9 of this report.

This report provides an update on the Exceptional Circumstances Funding arrangements for mainstream schools in Bournemouth, Christchurch and Poole (BCP), including:

- A review of exceptional funding model for 2025-26
- Introduction of a revised funding model for 2026–27
- The financial and strategic context underpinning the model

The revised model is intended to ensure that

- Funding is more tightly targeted to schools with the highest proportion of pupils with SEND and the most complex needs
- It ensures funding is transparent, has meaningful impact and is sustainable within a constrained financial budget.

2. Strategic Context

The Local Authority has a statutory duty to ensure sufficient provision for children and young people with SEND.

National policy continues to drive:

- A more inclusive mainstream system
- Increased support delivered in local schools rather than specialist settings
- Funding models that reflect need and complexity rather than historical assumptions

The Exceptional Circumstances Funding model is a key mechanism in supporting this shift locally.

3. Local and National Context

3.1 EHCP's in BCP

- There are currently 3,006 pupils with an EHCP in BCP schools
- Of these 1,978 are in a mainstream school, 3.9% of the BCP mainstream school population, increased from 1.5% (770 pupils) in 2020. (Spring School Census)
- This represents approximately a 160% increase over six years
- There are currently 5,170 children and young people with a BCP maintained EHCP, which equates to a rate of 436.1 per 10,000 0-24 population at the end of April 2026, up from 210.3 in 2020
- This represents approximately a 107.4% increase over six years
- Autistic spectrum disorder, Social, emotional and mental health and Speech, language and communication needs continue to dominate the primary need

Nationally data suggests the average proportion of pupils with EHCP's in mainstream schools is 3.8%, and the South West is 4.0%.

4. Previous Funding Model 2025-2026

The previous model:

- Used a 4% and 6% EHCP threshold
- Operated with a £600,000 annual funding pot

When the exceptional funding model was considered for 25-26, the 4% threshold broadly reflected the local mainstream average of around 3.9% EHCP prevalence. Therefore, it can be considered that the allocation of the funding was not reflective of an exceptional basis.

EHCP prevalence has increased, meaning that 4–5% is now increasingly typical rather than exceptional. To ensure limited funding is targeted effectively, thresholds must be updated to reflect current demand rather than historic averages.

The 2025-26 model allocated funding to 40% and 45% of schools in BCP for each term. The lowest threshold was in line with than the average number of EHCPs per Number on Roll across BCP. The amount paid per EHCP at the 4% criteria was between £90 and £148 and between £138 and £235 at the 6% criteria.

The High Needs Operational Guidance states that 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 or high needs, or their characteristics, or both.

5. Revised Funding Model (2026–27)

5.1 Revised Funding Formula from 2026–27

It is proposed that the baseline for exceptional funding is being raised to 6–7% to ensure that limited funding is targeted at schools experiencing a genuinely disproportionate concentration of EHCP need. Nationally, the average mainstream school has around 3.2% of children with an EHCP and in BCP this is 3.9%. Therefore a 6–7% threshold represents average pressure. With a total funding pot of £600,000, spreading funding across schools with lower levels of need reduces impact and does not meaningfully support those under the greatest strain. A higher threshold allows fewer, larger awards, improves transparency and fairness, and ensures exceptional funding remains exceptional rather than a supplement to core SEND provision.

A proposal for a revised funding formula and eligibility criteria has now been established by the Local Authority that outlines 3 model options. Once the revised model has been determined approved this will take effect from the start of the Summer term 2026-27, with effect from 1st April 2026 based on the summer census.

A number of different models and eligibility criteria were considered and have been proposed 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. The different models are summarised in the following table. Note Model 3 would follow the same criteria as the 2025-26 model where the allocated pot of £600,000 per year remains the same and will be pro-rated using the number of months in a term to calculate the available funding for each term.

Option models	Model 1	Model 2	Model 3
Threshold	7.0%	6.0%	6%
Amount per EHCP	£400.00	£275.00	£120.00*
Threshold			7%
Amount per EHCP			£250.00*
Estimated Number of schools	11	19	19
Estimated Primary Schools	8	14	14
Estimated Secondary Schools	3	5	5

* Indicative amounts that will be subject to change

Model 1 provides additional funding targeted to the minority of schools that have high numbers of EHCPs. This can be accommodated within the existing budget enabling an agreed amount to be set per EHCP.

This calculation will be based on children with EHCPs in BCP council schools.

The allocated pot of £600,000 per year remains the same due to a 0% increase in the HNB this year. It will be pro-rated using the 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.

The schools eligible will be calculated each term using the School Census data for that term.

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.

For the Summer Term 2026 this will be calculated once the Census data becomes available which is expected to be towards the end of July 2026. Eligible schools will be informed once this has been calculated.

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.

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.

5.2 Key Features in Summary

- Fixed £600,000 annual envelope
- Allocated termly using census data
- No application process required

5.3 Strategic Benefits

- Fair and transparent
- Responsive to changing demand
- Targets schools under greatest pressure
- Minimises administrative burden

6. Financial Modelling and Pressure Trends

6.1 Cost Pressure per EHCP

Each EHCP introduces additional cost pressures through:

- Top-up funding above £6,000 thresholds
- Additional staffing and specialist provision
- With EHCP prevalence increasing by over 160% since 2020, this creates:
- Significant escalation in High Needs expenditure
- Increased demand for top-up and specialist support funding

7. Summary Financial Implications

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

8. Summary of Sustainability Impact

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

9. Background Papers

High Needs Funding: 2026 to 2027 operational guidance [high-needs-funding-2026-to-2027-operational-guide](#)

10. Summary of Legal Implications

10.1 Legal Implications

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

11. Summary of Human Resources Implications

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

12. Summary of Public Health Implications

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.

13. Summary of Equality Implications

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

14. Summary of Risk Assessment

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 the SEND Reform being consulted on and implemented.

15. Recommendations

- Note the revised Exceptional Circumstances Funding models and select the preferred option for 2026–27
- Support ongoing review to ensure sustainability, fairness and alignment with SEND reform priorities