

# High Needs Block (HNB) Budget 2026/27

**Report being considered by:** Schools' Forum

**Date of Meeting:** 1<sup>st</sup> December 2025

**Report Author:** Lisa Potts/ Vanessa Grizzle/ Melissa Perry/Emma Ferrey

**Item for:** Discussion **By:** All Forum Members

## 1. Purpose of the Report

1.1 This report sets out the current financial position of the high needs budget for 2025/26 and the position as far as it can be predicted for 2026/27, including the likely shortfall.

## 2. Recommendation

2.1 To consider the current estimates on the High Needs Block, which will be subject to change and updated confirmation of the grant in January 2026.

**Is the Schools' Forum required to make a decision as part of this report or subsequent versions due to be considered later in the meeting cycle?**

Yes:

No:

## 3. Executive Summary

3.1 Setting a balanced budget for the High Needs Block remains a major challenge due to the rising number of high needs pupils and increasing unit costs, while place funding has remained static. The number of children with EHCPs continues to grow significantly, despite consistent thresholds being applied.

3.2 The Local Authority's statutory duties for children with SEND are effectively open ended in that if a child requires an EHC Plan it must be provided regardless of budgetary constraints.

3.3 Based on currently available data, the current position on the HNB budget for 2025-26 and 2026-27 is set out in the table below. In summary, the total budget needed in 2026-27 is **£47,242,288**. The in year overspend is predicted to be **£17,811,803** and the total cumulative overspend will be **£47,875,043**.

<b>TABLE 1</b>	<b>2025/26 Budget £</b>	<b>2025/26 Forecast £</b>	<b>2026/27 Estimate £</b>
Place Funding	7,190,603	5,010,600	4,887,992
Top Up Funding	30,161,070	30,600,070	33,834,700
PRU Funding (top ups only)	2,451,840	2,462,260	2,620,769
Other Statutory Services	2,893,880	2,806,170	3,627,198
Non Statutory Services	1,994,845	1,890,711	2,048,135
Support Service Recharges	175,072	175,072	215,493
<b>Total Expenditure</b>	<b>44,867,310</b>	<b>42,944,883</b>	<b>47,234,288</b>
HNB DSG Allocation	-30,825,286	-30,753,286	-29,430,485
0.25% Schools Block Transfer			
Clawback from schools			
In year overspend	14,042,024	12,191,597	17,803,803
HNB DSG Overspend from previous year	17,059,882	17,871,643	30,063,240
<b>Total cumulative deficit</b>	<b>31,101,906</b>	<b>30,063,240</b>	<b>47,867,043</b>

## **Issue Identification**

3.4 Historically, the Department for Education (DfE) has provided an indicative allocation for the High Needs Block (IHNB). At present, no information has been received for 2026/27. The grant level figure shown is indicative.

## **Consultation and Engagement**

3.5 Consultation with the Service Managers who run the services funded by the High Needs Block.

## **Monitoring and Evaluation**

3.6 These budgets will be monitored as part of the quarterly budget monitoring cycle through the Heads Funding Group and Schools Forum meetings.

## **Recommended Option**

3.7 This report is a draft and will be re-presented in January for further consideration.

## **4. Introduction and background**

4.1 Setting a balanced budget for the High Needs Block remains a major challenge due to the rising number of high needs pupils and increasing unit costs, while place funding has remained static. The number of children with EHCPs continues to grow significantly, despite consistent thresholds being applied. The data below is taken from the SEN 2 returns which is published in January each year but reports on the year prior. For context, the current number of EHCPs in West Berkshire is 1863.

Year	WBC EHCP Total	% increase from 2019	National EHCP Total	% increase from 2019
2018	971	-	353,995	-
2019	1034	6.5%	390,109	10%
2020	1074	10.61%	430,697	22%
2021	1198	23.4%	473,255	34%
2022	1322	36%	517,049	46%
2023	1532	58%	575,963	63%
2024	1685	10%	638,700	63.7%

4.2 4.7% of children and young people in West Berkshire had an EHCP in 2023, up from 4.5% in 2022. This is higher than the national average (4.3%) and when compared to the Southeast (4.6%) and Statistical Neighbours (4.33%).

4.3 The demand for additional EHCPs has been intensified by the Covid pandemic which caused some children to fall further behind, leading to an increase in EHCP requests. Additionally, the pandemic has also exacerbated a pre-existing issue with rising incidence of social, emotional and mental health needs (SEMH) and Emotionally Based School Avoidance (EBSA).

4.4 Up until 2016-17, West Berkshire was setting a balanced high needs budget. Since then, the budget has been under pressure on an annual basis. A decision was made to set a deficit budget for the first time in 2016/17 and the budget has continued to be overspent each year since that time. The table below sets out the deficit HNB budgets set over the last 10 years:

Financial year	HNB Allocation	Block transfer	Total HNB Deficit Budget set	Difference between budget set and HNB allocation
16/17	-18,118,428	-858,000	21,584,180	2,607,752
17/18	-20,056,233	0	20,312,740	256,507
18/19	-19,958,537	27,000	20,041,180	109,643
19/20	-20,100,067	0	21,748,000	1,647,933
20/21	-21,691,304	-263,285	23,114,920	1,160,331
21/22	-23,631,318	-548,568	25,479,384	1,299,498
22/23	-26,282,076	-300,166	28,241,087	1,658,845
23/24	-28,495,697	0	31,587,958	3,092,261
24/25	-29,153,266	-335,047	37,408,701	7,920,388
25/26	-30,825,286	0	44,867,310	14,042,024

4.5 Pressure on the High Needs Block is a national issue, with many local authorities having significant overspends and setting deficit budgets. The 35 Local Authorities with the highest level of overspend are now part of the Government's Safety Valve Programme. While another 55 Local Authorities participated in the Delivering Better Value (DBV) Programme. There are three tranches to this programme; West Berkshire was in the third tranche. This programme has now ended.

4.6 The Local Authority's statutory duties for children with SEND are effectively open ended in that if a child requires an EHC Plan it must be provided regardless of budgetary constraints. Criteria for initiating an Education, Health and Care assessment are robustly applied by the SEN Panel (which has Headteacher representation). However, despite robust management of demand, the number of children with EHCPs continues to rise. The total number of EHCPs in January 2024 was 1534 compared to 972 in 2019, a rise of 58% in five years. The current number of EHCPs is 1863. The increase in EHCPs is largely concentrated in specialist placements rather than mainstream schools, which is the main factor driving budget pressure in the High Needs Block

4.7 The creation of more local provision for children with SEMH and autism has alleviated some pressures, as local maintained provision is more cost effective than independent and non-maintained provision. The Castle@Theale provision has twenty-four children on roll, rising to thirty-six by September 2025 and to its full capacity of forty-two by 2026. The LA has worked with The Castle@Theale School to create capacity for an additional class in September 2025. Every one of these children would have needed to be placed in a non-maintained or independent special school. The new Kennet Valley SEMH/Autism provision opened in 2024 with six children, which now has 12 from September 2025. It is expected that a further twelve place primary SEMH provision in the west of the Authority will be established as a matter of urgency based upon identified need. A sufficiency strategy has now been completed as part of the DBV programme and this will guide further investment in additional capacity.

4.8 It is critical that mainstream schools receive support to maintain more children with SEND in mainstream settings. This includes children with SEMH and autism. There has been some success in avoiding specialist placements through initiatives such as Therapeutic Thinking (now Promoting Inclusive Practice), the enhancement of the Autism Team, the creation of an EBSA Team and the Early Development and Inclusion Team (EDIT). Improved management of the budget will only happen if we are supporting our mainstream schools to meet increasing needs. The refreshed SEND Strategy for 2024-29 is proposing further measures to increase capacity in mainstream schools, and the DBV Programme has supported some initiatives to further improve inclusive practice in mainstream schools.

4.9 Tables 2, 3, 4 and 5 in Appendix A show where the predicted 2026-27 costs exceed 2025-26 budgets.

4.10 Based on currently available data, the current position on the HNB budget for 2025-26 and 2026-27 is set out in the table below. In summary, the total budget needed in 2026-27 is **£47,234,288**. The in year overspend is predicted to be **£17,803,803** and the total cumulative overspend will be **£47,867,043**.

<b>TABLE 1</b>	<b>2025/26 Budget £</b>	<b>2025/26 Forecast £</b>	<b>2026/27 Estimate £</b>
Place Funding	7,190,603	5,010,600	4,887,992
Top Up Funding	30,161,070	30,600,070	33,834,700
PRU Funding (top ups only)	2,451,840	2,462,260	2,620,769
Other Statutory Services	2,893,880	2,806,170	3,627,198
Non Statutory Services	1,994,845	1,890,711	2,048,135
Support Service Recharges	175,072	175,072	215,493
<b>Total Expenditure</b>	<b>44,867,310</b>	<b>42,944,883</b>	<b>47,234,288</b>
HNB DSG Allocation	-30,825,286	-30,753,286	-29,430,485
0.25% Schools Block Transfer			
Clawback from schools			
In year overspend	14,042,024	12,191,597	17,803,803
HNB DSG Overspend from previous year	17,059,882	17,871,643	30,063,240
<b>Total cumulative deficit</b>	<b>31,101,906</b>	<b>30,063,240</b>	<b>47,867,043</b>

#### 4.11 Summary of budget requirement for 26/27 by cost centre

<b>Cost Centre</b>	<b>Description</b>	<b>Proposed Budget 2026/27</b>
90539	Special Schools Maintained	6,829,737
90548	Non WBC special schools	288,140
90554	Non WBC free schools	600,725
90617	Resource Units Maintained	725,120
90026	Resource Units Academies	1,310,324
90618	Resource Units Non WBC	48,180
90621	Mainstream Maintained	2,494,000
90622	Mainstream Academies	1,373,620
90624	Mainstream Non WBC	130,700
90575	Non Maintained Special Schools	1,218,080
90579	Independent Special Schools	13,938,950
90580	Further Education	1,743,880
90627	Disproportionate HN Pupils	272,000
90556	New SEMH Provision at Theale	2,180,371
90557	Kennet Valley Resource Base	680,875
90625	PRU Top Up Funding	1,340,190
90628	PRU EHCP SEMH Placements	1,280,579
<b>High Needs Block: Top Up Funding Total</b>		<b>36,455,470</b>
90540	Special Schools	1,540,000
90546	Special Schools - Place Funding Post 16	340,000
90584	Resourced Units - Place Funding	282,000
90552	Special Schools and PRU Teachers Pay and Pension	349,992
Top Slice	Resource Units Academies – pre16	582,000
90551	Mainstream Maintained - post 16 SEN places	48,000
Top Slice	Mainstream Academies – post 16	60,000
Top Slice	Further Education	786,000
90320	Pupil Referral Units	900,000
<b>High Needs Block: Place Funding Total</b>		<b>4,887,992</b>

90573	Education Other Than At School (EOTAS)	480,978
90574	Spot Purchase Alternative provision	453,161
90290	Sensory Impairment	302,522
90577	SEN Commissioned Provision	857,073
90565	Equipment for SEN Pupils	20,000
90295	Therapy Services	671,285
90288	Elective home Education Monitoring	100,310
90282	Medical Home Tuition	513,810
90610	Hospital Tuition	36,180
90281	SEND Strategy (DSG)	75,430
90356	Fair Access Protocol	50,000
90237	Alternative Provision Co-ordinator	66,450
90555	Language and Literacy Centres LALs	194,470
90585	Specialist Inclusion Support Service	50,000
90582	PRU Outreach Service	61,200
90280	Cognitive and Learning Team	409,670
90830	ASD Advisory Service	280,700
90372	Therapeutic Thinking	108,190
90287	Early Development and Inclusion Team	155,185
90581	Dingley's Promise	155,000
90373	Emotionally Based School Avoidance (EBSA)(WBC Led)	190,740
90237	Emotionally Based School Avoidance (EBSA) (school led)	110,960
	Early Intervention Support Fund	232,090
90374	SEMH Practitioner	49,790
	SEMH Re-integration Practitioner	50,140
	<b>High Needs Block: Non Top Up or Place Funding</b>	<b>5,675,333</b>
	SSR	215,493
	<b>High Needs Block Total</b>	<b>47,234,288</b>

4.12 The increase in the estimated budget requirement for 26-27 relates mainly to the following costs:

- Independent and non-maintained school placements – increased budget requirement of **£2,513,130**
- Special School top ups - increased budget requirement of **£228,007**
- Increased cost of EOTAS provision of **£201,508**
- PRU - increased budget requirement of **£168,929** for excluded pupils and those with SEMH

## 5. Conclusion

5.1 The HNB continues to be under considerable pressure for the reasons set out in this report, due to increased demand for independent and non-maintained special school placements and increased EHCPs in mainstream schools. In the interim, the HFG / Schools Forum is asked to consider the deficit HNB budget as set out in this report.

## **6. View from the Heads' Funding Group**

Report noted

## **7. Appendices**

7.1 Appendix A - High Needs Budget Detail

7.2 Appendix B - Historical Data

## Appendix A

### High Needs Budget Detail

#### 1. PLACE FUNDING – STATUTORY

- 1.1 Place funding is determined by the Department for Education (DFE) and has to be passed on to the institution, forming their base budget. Academy and FE places are included in the initial HNB allocation but the agreed place numbers are then deducted and paid to the institution direct (DSG top slice).
- 1.2 The DFE will not fund any overall increases to places. If additional places are needed in academies or FE colleges, a request can be made to the ESFA. However, any additional places agreed would be top sliced from West Berkshire's HNB allocation; no additional funding is made available.
- 1.3 As it is not possible to request increased planned place funding for maintained schools, any increase in place funding needed which is over and above the number of places set out below would need to be allocated to the relevant top up budgets, creating additional pressure on those budgets.

TABLE 1 - Place Funding Budget	2025/26 Budget			2026/27 Estimated Budget	
	No. of Places	£	Current No. of Pupils	Proposed No. of Places	£
Special Schools – pre 16	168	1,680,000	191	154	1,540,000
Special Schools – post 16	34	340,000		34	340,000
Resource Units Maintained – pre 16	47	304,000	33	47	282,000
Special Schools and PRU Teachers Pay and Pension		334,600			349,992
Resource Units Academies – pre 16 (DSG top slice)	97	598,000	104	97	582,000
Mainstream Maintained post 16	8	48,000	20	8	48,000
Mainstream Academies – post 16 (DSG top slice)	10	60,000	25	10	60,000
Further Education	131	786,000		131	786,000
i-college Place Funding	86	860,000	90	90	900,000
<b>TOTAL</b>	<b>581</b>	<b>5,010,600</b>		<b>571</b>	<b>4,887,992</b>

#### 2. TOP UP FUNDING – STATUTORY

- 2.1 Top up funding is paid to the institutions where we are placing pupils who live in West Berkshire (we do not pay our institutions top up funding for pupils who live outside West Berkshire). **Table 2** shows the budget and forecast for 2025/26 and the estimate for 2026/27

TABLE 2		2025/26 Budget			2026/27	
Top Up Budgets	Budget £	Forecast £ (Month 6)	Over/ (under) £	Current pupils receiving top up (Nov25)	Estimate £	Difference 25/26 budget & 26/27 prediction
Special Schools Maintained	6,601,730	6,480,000	-121,730	287	6,829,737	+228,007
Non WBC special schools	257,870	294,350	36,480	14	288,140	+30,270
Non WBC free schools	504,750	761,840	257,090	31	600,725	+95,975
Resource Units Maintained	725,120	675,300	-49,820	35	725,120	0
Resource Units Academies	1,297,350	1,270,000	-27,350	96	1,310,324	+12,974
Resource Units Non WBC	43,720	60,950	17,230	4	48,180	+4,460
Mainstream Maintained	2,039,520	2,039,520	0	410	2,494,000	+454,480
Mainstream Academies	1,199,630	1,170,000	-29,630	251	1,373,620	+173,990
Mainstream Non WBC	124,980	150,650	25,670	28	130,700	+5,720
Non Maintained Special Schools	1,456,230	1,583,730	127,500	17	1,218,080	-238,150
Independent Special Schools	11,425,820	11,884,020	458,200	168	13,938,950	+2,513,130
Further Education	1,726,810	1,472,170	-254,640	148	1,743,880	+17,070
Disproportionate HN Pupils	200,000	200,000	0		272,000	+72,000
SEMH Provision Castle at Theale	1,901,700	1,901,700	0	38	2,180,371	+278,671
New Kennet Valley Resource	655,840	655,840	0	12	680,875	+25,035
<b>TOTAL</b>	<b>30,161,070</b>	<b>30,600,070</b>	<b>439,000</b>		<b>33,834,700</b>	<b>+3,673,630</b>

## 2.2 Maintained Special Schools

There will be an increase in costs of £228,007 this is due to the expansion of provision at The Castle School which is due to open in Jan 2026.

## 2.3 Non West Berkshire Special Schools

There is an increase in costs due to an increase in pupils attending special schools in neighbouring local authorities.

## 2.4 Non West Berkshire Free Schools

The free special schools used by West Berkshire Council are primarily schools for children with autism. These schools tend to be used for children whose needs cannot be met by our own resourced ASD provision in mainstream schools.

## 2.5 Resource Budgets (Academies/Maintained and Non West Berkshire)

As part of the DBV programme a sufficiency plan is being created to increase the range of provision across West Berkshire, to ensure that current, and future, needs of children and young people with SEND are met locally, whilst allowing flexibility for adapting to changing demands. This will lead to increases in these budgets over time. For 26-27 there are small variations to the Academies/Maintained and Non West Berkshire resource units budgets this is due to moves for specific children.

## **2.6 Mainstream top ups (maintained and academies)**

Due to pressures on the HNB, the value of EHCP funding bands for children in mainstream schools has not been increased for several years. This has resulted in a situation whereby the funding no longer delivers the level of support it should deliver and schools either have to supplement the funding from their own budgets or children receive less support than they should. This is increasingly being raised as a concern by Headteachers and parents. This is being addressed via the SEND banding review. Due to the increasing number of pupils in mainstream school with an EHCP an increase in both budgets is recommended

## **2.7 Independent special schools and non-maintained special schools**

The demand for independent and non-maintained school placements for children with autism and SEMH continues to rise. There is a national shortage of placements of this type which has meant that we have had several children waiting for placements for some time. Four independent schools for children with these needs have opened in the West Berkshire area: Mile House, The Grange, Haywards Farm including (Northcroft school) and Oaklands. This has meant that children who had already been waiting for a place, or who would previously have had to wait for a place, have all been offered placements, which is positive in terms of meeting those children's needs, but has had a significant impact on the budget. Another issue affecting this budget is the shortage of places at The Castle and Brookfields schools. Most children waiting for a place remain in their mainstream schools, but in some cases, it has been necessary to place children in non-maintained or independent special schools. An additional factor is the high level of fee increases on independent and non-maintained specialist placements.

The predictions of cost for specialist placements in 2026-27 take in to account existing pupils, additional known pupils whose needs can no longer be met in local schools, together with some cases which are due to go to the SEND Tribunal. It is not possible to predict all pupils who may need placements in 2026-27. To account for this unpredictability, we have built in a percentage increase into the cost of these placements based on EHC plan trends over the last 3 years.

Due to the number of placements made over 25/26 and the continued demand for highly specialist placements the independent school budget is overspent and this is reflected in the budget forecast for next year.

## **2.8 Further Education**

There is an increase in cost for this year due to some additional cost at Independent Specialist Providers.

## **2.9 Castle@Theale Secondary SEMH Provision**

The Castle @ Theale have agreed to create an additional places to reduce the need for independent school places. The provision is very cost effective compared to alternatives in the independent sector and unit costs are continuing to reduce as the provision fills up.

## 2.10 Kennet Valley SEMH Provision

Kennet Valley costs will see a small increase in costs due to staff inflation increases. The provision is very cost effective compared to alternatives in the independent sector. An additional cost for staff cover was incorporated for 25-26 & 26/27.

## 3 PUPIL REFERRAL UNITS (PRU) – STATUTORY

3.8 Table 3 shows the budgets for PRU top ups.

TABLE 3 PRU Budgets	2025/26 Budget			2026/27	
	Budget £	Forecast £ (Month 6)	Over/ (under) £	Estimate £	Difference 25/26 budget & 26/27 prediction
PRU Top Up Funding	1,196,370	1,196,370	0	1,340,190	+143,820
PRU EHCP SEMH Placements	1,255,470	1,265,890	10,420	1,280,579	+25,109
<b>TOTAL</b>	<b>2,451,840</b>	<b>2,462,260</b>	<b>10,420</b>	<b>2,620,769</b>	<b>+168,929</b>

3.9 The current year budget was based on the previous year's forecast. Schools Forum agreed to a 50% contribution from schools for pupils that they placed. Heads have requested that this contribution remains. Permanent exclusions are funded 100% by the High Needs Block less the average pupil led funding contribution recovered from schools.

3.10 The number of pupils with EHCPs being placed in PRUs is increasing as this can be an appropriate and cost-effective provision for some young people if they are not able to remain in their mainstream schools. A new provision for pupils with EHCPs was set up in autumn 2019, The Pod, and a further Pod Plus provision was set up in September 2021. These placements are usually more cost effective than independent and non-maintained special school placements.

3.11 A request for additional funding to increase the number of places available at ICollege was agreed by School Funding Forum for financial year 2023-24, this included extending provision at Pod Plus to eighteen at the Parson Down Infant site. In addition, twelve places for an intervention provision for Year 7 & 8 students at The Moorside Centre was agreed. Unfortunately, as premises were unable to be agreed in time for staff recruitment this provision was unable to start until April 2024.

## 4 OTHER STATUTORY SERVICES

**Table 4** details the budgets for other statutory services.

TABLE 4	2025/26 Budget			2026/27	
	Other Statutory Services	Budget £	Forecast £ (Month 6)	Over/ (under) £	Estimate £
Education Other Than At School (EOTAS)	279,470	279,470	0	480,978	+201,508
Spot Purchase Alternative provision	376,090	376,090	0	453,161	+77,071
Sensory Impairment	251,220	288,830	37,610	302,522	+51,302
SEN Commissioned Provision	722,336	734,820	12,484	857,073	+134,737
Equipment for SEN Pupils	20,000	20,000	0	20,000	0
Therapy Services	614,680	614,680	0	671,285	+56,605
Elective home Education Monitoring	72,360	56,310	-16,050	100,310	+27,950
Medical Home Tuition	403,760	285,780	-117,980	513,810	+110,050
Hospital Tuition	36,180	36,180	0	36,180	0
SEND Strategy (DSG)	75,140	71,370	-3,770	75,430	+290
Fair Access Protocol	0	0	0	50,000	+50,000
Alternative Provision Co-ordinator	42,640	42,640	0	66,450	+23,810
<b>TOTAL</b>	<b>2,893,876</b>	<b>2,806,170</b>	<b>-87,706</b>	<b>3,627,198</b>	<b>+733,322</b>

### 4.1 EOTAS and Spot Purchases of Alternative Provision

This budget historically supported a small number of children with EHC Plans for whom the Authority had agreed an ABA programme. ABA is an intensive intervention programme for children with autism which aims to modify their behaviours, in order to allow children to function more successfully in school and in society. There are now fewer ABA programmes funded and this budget has been removed. We now have two new areas to support the costs of children with EHC Plans accessing other bespoke packages where this is the most appropriate and cost-effective way of meeting their needs, including SEN Personal Budgets. This budget has been split into EOTAS and Spot purchases of Alternative provision. These budget needs to increase due to increasing numbers of children with SEN Personal Budgets. There is a significant

overspend on this budget due to a number of high cost EOTAS packages have been awarded as part of tribunal appeals. It should be noted that SEN Personal Budgets can be a very cost-effective alternative to non-maintained and independent special schools, in particular for children who experience emotionally based school avoidance, for whom they are increasingly being requested by parents. The budget for these cost centres needs to increase by £278,579.

**Sensory impairment** Support for children with hearing, visual and multi-sensory impairments is purchased from the Berkshire Sensory Consortium Service (SCS). This includes support from qualified teachers of HI and VI, audiology and mobility support. This budget has a small saving due to decreasing numbers of pupils needing SCS support.

#### **4.2 SEN Commissioned Provision (Engaging Potential)**

Engaging Potential is an independent special school commissioned to provide alternative educational packages for fourteen young people in Key Stage 4. Students placed at Engaging Potential are those who have EHC Plans for social, emotional and mental health difficulties and whose needs cannot be met in any other provision. This can include young people who have been excluded from specialist SEMH schools. An in-year increase of approximately £33K was agreed to this contract in 22-23 due to costings not having been revised for some years. The contract ended in August 2023, with the option to extend for a further two years. The contract has been extended for two years at an increased cost of £651,899 per annum, reflecting the need for increased staff ratios and enhanced salaries to address retention and recruitment issues. Premises costs have been added to the contract cost. This contract is going through the commissioning process to be renewed.

#### **4.4 Equipment for SEN Pupils**

This budget is used to fund large items of equipment such as specialist chairs and communication aids for pupils with EHC Plans. The budget has been reduced a number of times in previous HNB savings programmes and was removed entirely in 2018-19 on the basis that schools would meet these costs. However, this created a pressure for nurseries as they do not have delegated SEN budgets, and for resourced schools which have a disproportionate number of children with specialist equipment needs. It was agreed in 2018-19 that a budget of £10,000 would be made available to meet these needs. In 2019-20 it was agreed that the budget should be increased again to £15,000 as demand for equipment for children in nurseries and resourced schools was increasing. It is recommended that the budget increases to £20,000 and all mainstream schools are able to request funding for equipment over the cost of £500 as this has a very significant impact on school budgets especially for smaller primary schools.

#### **4.5 Therapy Services (Contract with Berkshire Healthcare Foundation Trust)**

The therapy services budget covers the costs for children with SEND who have speech and language therapy, occupational therapy or physiotherapy written in to their EHC Plans as an educational need.

Therapy services are provided by the Authority solely to children who have the need for a service stipulated and quantified in their EHC Plan. It is a statutory duty for the Local Authority to provide these therapies in these circumstances. The service is commissioned from the Berkshire Healthcare Foundation Trust.

The HFG / Schools Forum will be aware from previous reports that this service was retendered in April 2023 and is now jointly commissioned with Reading Borough Council and Wokingham District Council. This exercise resulted in an increase in cost due to higher numbers of children with therapies written in to their EHCPs as an educational need (in line with generally higher numbers of children with EHCPs), the need to provide therapies for The Castle@Theale and the need to provide capacity for therapists to assist the Local Authority in defending cases which go to the SEND Tribunal.

In addition, costs in this budget have risen because of the need to provide access to therapies in the new Westwood Farm SEND Resource and in the new SEMH Resource at Kennet Valley.

#### **4.6 Elective Home Education (EHE) Monitoring**

Local Authorities have a statutory duty to monitor Elective Home Education (EHE) arrangements made by parents and to ensure that all children are receiving a suitable education. Oversight of EHE monitoring falls under the Education Welfare and Safeguarding Service.

#### **4.7 Medical Tuition Service**

The Medical Tuition Service (formerly known as the Home Tuition Service) is a statutory program dedicated to providing educational support, including in-home tuition, to students who are unable to attend school full-time due to medical conditions or illnesses. In the 2022-23 fiscal year, the program's budget was increased to ensure the Local Authority fulfils its obligations to children unable to attend school for health-related reasons. This year, savings have been realised due to recruitment delays. However, demand for this service continues to grow as it supports all pupils covered under Section 19 and responds to rising cases of mental health challenges among children and young people, compounded by extended waiting times for additional support. The majority of referrals involve students facing ASD, anxiety, and other mental health barriers that hinder school attendance.

This year has focused on stabilising and enhancing the service through process improvements, expanding educational offerings, and fostering closer collaboration with schools to enhance educational support. Key developments include transitioning staff to permanent contracts and conducting a comprehensive review of emerging issues within Section 19 provision. This review will inform future decisions regarding referral pathways and support services, which may impact future budget requirements. While no immediate financial adjustments are anticipated, it remains premature to project future budgetary needs given the pending decisions on how best to fulfil statutory obligations.

The service places a particular emphasis on supporting students with Education, Health, and Care Plans (EHCP) and those with significant anxiety, including the co-ordination of EOTAS packages where there is no appropriate provision for a pupil. This work goes beyond traditional teaching, which is how the service has been established, to include critical skills in re-engagement, integration, and coordination of educational packages for EOTAS, areas that have previously been under-resourced within the team. To meet the wide-ranging needs of our students, we have now appointed a full-time qualified SENCO, providing the team with enhanced

capabilities to support the broad spectrum of needs within the service. There will be a requirement for this area to be further developed and supported.

#### **4.8 Hospital Tuition**

The Local Authority is obliged to pay the educational element of specialist hospital placements, usually for severe mental health issues. These placements are decided by NHS colleagues and we have no influence over the placement or duration of stay. As numbers and costs are impossible to predict, it is proposed that the 2026-27 budget remains the same as 2025-26.

#### **4.9 SEND Strategy Officer**

In 2019-20 the Schools Forum agreed to fund a SEND Strategy Officer for three years initially to support implementation of the SEND Strategy 2018-23. Agreement was given by the Schools Forum in October 2020 that this post could be made permanent in order to attract and retain candidates of a suitable calibre.

#### **4.10 Alternative Provision / EOTAS Coordinator**

It is proposed that an additional post of Alternative Provision / EOTAS Coordinator is funded in 26-27) in order to reduce pressure for specialist placements for children who have ceased attending school due to EBSA. Currently EBSA is a key driver of spend on independent specialist placements. This post would provide capacity to set up and oversee alternative packages of education where this is an appropriate alternative to a specialist placement. In many cases a package of support would meet with parental preference, potentially meet the child's needs better than a school placement and could be considerably more cost effective. The only current barrier to such arrangements is lack of capacity to organise packages and ensure they are suitably monitored. The post was only budgeted for 7 months in 25/26, the additional cost is for the post to be for a full year.

### **5 NON-STATUTORY Services**

**5.1** **Table 5** details the non-statutory service budgets for 2025-26, predicted outturn, and estimates for 2026-27.

**5.2** The table shows the budget for these services in 2026-27 assuming that the services continue and there are no changes to staffing levels. Should decisions be made to reduce or cease any non-statutory services, the 2026-27 HNB budget will be adjusted accordingly.

<b>TABLE 5</b>		<b>2025/26 Budget</b>			<b>2026/27</b>	
<b>Non Statutory Services</b>	<b>Budget £</b>	<b>Forecast £ (Month 6)</b>	<b>Over/(under) £</b>	<b>Estimate £</b>	<b>Difference 25/26 budget &amp; 26/27 prediction</b>	
Language and Literacy Centres LALs	183,920	183,920	0	194,470	+10,550	
Specialist Inclusion Support Service	50,000	50,000	0	50,000	0	
PRU Outreach Service	61,200	61,200	0	61,200	0	
Cognitive and Learning Team	395,110	349,650	-45,460	409,670	+14,560	
ASD Advisory Service	273,440	321,390	47,950	280,700	+7,260	
ASD Fund - Additional support	52,690		-52,690	0	-52,690	
Therapeutic Thinking	76,700	65,950	-10,750	108,190	+31,490	
Vulnerable Children	50,000	50,000	0	0	-50,000	
Vulnerable Children	129,400	129,400	0	0	-129,400	
Early Development and Inclusion Team	151,355	128,611	-22,744	155,185	+3,830	
Dingley's Promise	125,000	125,000	0	155,000	+30,000	
Emotionally Based School Avoidance (EBSA)	144,520	144,520	0	190,740	+46,220	
EBSA ( Academies)	110,960	110,960	0	110,960	0	
Early Intervention Support Fund	0	0	0	232,090	+232,090	
Transition project - part funded DBV	46,310	46,310	0	0	-46,310	
SEMH Practitioner	52,240	33,800	-20,440	49,790	-4,450	
SEMH Re-integration Practitioner	0	0	0	50,140	50,140	
Extension of i-college – included in place funding	90,000	90,000	0	0	-90,000	
<b>TOTAL</b>	<b>1,994,845</b>	<b>1,890,711</b>	<b>-104,134</b>	<b>2,048,135</b>	<b>+53,290</b>	

### 5.3 Language and Literacy Centres (LALs)

The LALs provide forty-eight places per year for Year 5 students who have persistent difficulties with literacy and need an intensive programme delivered by a teacher qualified in specific literacy difficulties.

### 5.4 Specialist Inclusion Support Service

This service provides outreach support from West Berkshire's special schools to mainstream schools to support the inclusion of children with learning and complex needs in their local mainstream schools.

This budget has been subject to reductions in the previous financial years with the special schools providing the service absorbing the cost.

### 5.5 PRU Outreach

The PRU Outreach Service offers consultancy / outreach support mainly to students who have been attending the iCollege and are starting to attend a mainstream school.

Schools may request outreach for any pupil causing concern but it is dependent on capacity.

#### **5.6 Cognition and Learning Team**

The Cognition and Learning Team (CALT) provides advice, support and training to mainstream schools to help them to meet the needs of children with SEN. Staff are experienced SENCOs with higher level SEN qualifications.

Many primary schools are reliant on this service to supplement their own SEN provision and expertise, especially schools where the Head has to function as SENCO or where there is an inexperienced SENCO.

This is a partially traded service. All schools receive a small amount of free core service, but the majority of support now has to be purchased by schools.

#### **5.7 Autism Team**

The Autism Team provides advice, support and training for mainstream schools on meeting the needs of children with Autism. The purpose of the service is to enable children with autism to be successfully included in mainstream schools wherever possible.

The context for this service is vastly increasing numbers of children with ASD diagnoses an Autism diagnosis and mainstream schools having more difficulty meeting the needs of these children. The majority of our placements in non-West Berkshire special schools, independent special schools and non-maintained special schools are for children with autism.

#### **5.8 Vulnerable Children**

The Vulnerable Children Fund is a budget used to help schools support their most vulnerable pupils on an emergency, unpredicted or short-term basis.

This has always been a well-used resource that helps schools support vulnerable pupils with complex needs.

To increase access to and oversight of funding to all West Berkshire schools, a process of alignment has taken place whereby five (HNB/Grant) funding streams will be pooled, referrals centralised and allocated via a single panel of Education Service team managers/officers and a school representative. The combined funds are:

- Vulnerable Children's Grant
- Therapeutic Thinking Support fund
- Autism Limited Fund
- Virtual School fund (not high needs block)
- Emotionally Based School Avoidance (EBSA) Support Fund

This Early Intervention Support Funding (EISF) will be used to support schools with pupils who do not have an Education, Health and Care Plan (EHCP) but have significant additional needs beyond those that might be expected to be funded from the SEND Notional Budget. This funding is intended to provide short-term additional support to help close the gap for statutory school aged children with needs that exceed what would ordinarily be expected at SEN support.

## 5.9 Early Development and Inclusion Team

The service comprises of 1.8 FTE Advisory Teachers who are specialists in early years and SEND. Children under five who are identified by Health professionals as having significant SEND are referred to this service. Staff may visit children in their homes (if they are not yet in an early year setting) in order to promote their educational development and model strategies and resources for parents to use to support their child's progress.

Where capacity allows, EDIT teachers also assist with the transition to early years settings and schools, providing support and training for staff to help them to meet the child's needs, and continuing to visit for a period of time to provide ongoing support and advice. They also help to coordinate support which the family is receiving from other professionals.

The service has been reduced in size in recent years from 3.4 FTE to 1.8 FTE – despite an increasing caseload year on year. An additional 0.4 post was agreed as an invest to save initiative in 2022-23 and 2023-24. In 2024-25, the DBV grant funded 0.90 FTE which enabled the service to:

- Ensure all children go straight onto caseload
- Support transition from pre-school to school
- Provide targeted support and additional training for settings
- Provide support to parents and carers

Continuation of the 0.90 FTE has been agreed by Neil Goddard as an invest to save for 25/26 & 26/27 to continue the provision listed above.

## 5.10 Dingley's Promise

Dingley's Promise is a charitable organisation which provides registered early years education for children under five with SEND in West Berkshire, Reading and Wokingham. It is the only specialist early years SEND setting in the private, voluntary and independent early years sector in West Berkshire. It provides an alternative to mainstream early years settings, where experience and expertise in SEND can vary greatly. Parents are able to take up their early years' entitlement at Dingley's Promise, rather than at a mainstream early years setting, if they wish. However, Dingley's Promise are only able to claim the standard hourly rate for providing the early years entitlement as mainstream settings, in spite of offering specialist provision, higher ratios and more one to one support.

In 2017-18, the service was running at a loss and there was a risk it would cease to be viable in this area without some Council funding. It was agreed in 2018-19 that a grant of £30,000 would be made to Dingley's Promise in order to maintain the service in this area.

Dingley's Promise has made a request for additional resources due to ongoing viability issues as a result of reduced charitable income and some large grants ending. Their annual running costs are £240,000 and they receive £100,000 in income from the Council including early years place funding, funding for one-to-one support for individual children and the £30,000 annual grant from the HNB. The balance of £140,000 has to come from

fund raising. The organisation has reported reduced ability to achieve income through fund raising as well as an anticipated reduction in income in 2024-25 due to a large Children in Need grant ending. The West Berkshire centre is running at a loss and effectively being subsidised by centres in other areas.

It is therefore proposed that Dingley's Promise receive funding equivalent to special school bands for the children they support, this would be in an annual lump sum of £125,000. Dingley's Promise provides an essential service in West Berkshire for children under five with very complex needs. If the service ceased to be viable, there would be an increase in demand for maintained special school places, which are already in short supply, and there could be increased pressure for non-maintained / independent special school placements.

#### **5.11 Emotionally Based School Avoidance (EBSA)**

This support is divided into two separate pathways, a Local Authority led pathway for primary schools and school led provision for secondary schools. The aim of the EBSA Advisory Support team is to help schools to support children and young people who struggle to attend school due to emotional, mental health or anxiety-related reasons – some of which are connected to how they experience the school environment. The team aims to increase pupil attendance and/or their engagement in education, and to support them to thrive in school and reduce the need for alternative provision.

There is a requirement to add an additional SEMH Practitioner to join the team due to the increased number and complexity of cases being referred to the team for support and to support strategic activity including training to schools and the creation of an EBSA Early Identification toolkit. It is also necessary to increase time available to the current EBSA Coordinator to full-time, rather than the current term time only.

#### **5.12 Reintegration Practitioner**

Following on from 5.6 above, the creation of a new role (SEMH Reintegration Practitioner) to enable supported reintegration, to:

- Work with the school and family to create supportive re-integration timetables.
- Provide both schools and parents with robust signposting support regarding referrals, interventions and other available services available.
- Monitor outcomes for previously PEX pupils placed back into mainstream.
- Provide 1 to 1 SEMH interventions to support pupils.

The projected cost of an SEMH Practitioner for 2026/27 is £50,140.

It should be noted however that the cost of a 2<sup>nd</sup> PEX is a minimum of £30,000 per year depending on banding. For example, the issuing of a 2<sup>nd</sup> PEX to a year 8 pupil will cost the LA more than £90,000.

## Appendix B

### Historical Data Outturn

<b>TABLE A</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
<b>Top Up Funding</b>	<b>£</b>	<b>£</b>	<b>£</b>
Special Schools Maintained (90539)	5,233,228	5,676,186	5,786,363
Non WBC special schools (90548)	524,418	445,499	424,241
Non WBC free schools (90554)	535,617	660,692	587,386
Resource Units Maintained (90617)	317,407	655,772	728,843
Resource Units Academies (90026)	993,556	1,378,364	1,237,390
Resource Units Non WBC (90618)	131,516	95,738	89,424
Mainstream Maintained (90621)	1,182,597	1,687,494	1,981,641
Mainstream Academies (90622)	640,595	928,159	1,181,604
Mainstream Non WBC (90624)	169,046	152,115	159,013
Non Maintained Special Schools (90575)	875,863	1,092,852	1,365,343
Independent Special Schools (90579)	3,683,566	4,965,814	8,174,961
Further Education (90580)	1,149,072	1,628,914	1,416,357
Disproportionate HN Pupils (90627)	86,321	194,565	230,302
SEMH provision at Theale (90556)	765,987	986,986	1,462,584
SEMH provision at Kennet Valley (90557)	0	1,319	433,500
<b>TOTAL</b>	<b>16,288,789</b>	<b>20,550,468</b>	<b>25,258,952</b>

<b>TABLE B</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
<b>PRU Funding</b>	<b>£</b>	<b>£</b>	<b>£</b>
PRU Top Up Funding (90625)	902,512	959,950	1,055,749
PRU EHCP SEMH Placements (90628)	927,182	1,084,765	1,326,973
<b>TOTAL</b>	<b>1,829,694</b>	<b>2,044,715</b>	<b>2,382,722</b>

<b>TABLE C</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
<b>Other Statutory Services</b>	<b>£</b>	<b>£</b>	<b>£</b>
Applied Behaviour Analysis (90240)	246,773	335,102	254,795
Education Other Than At School (EOTAS)			238,824
Spot Purchases - Alternative Provision			121,594
Sensory Impairment (90290)	250,722	264,955	275,034
SEN Commissioned Provision (90577)	622,999	654,469	661,048
Equipment for SEN Pupils (90565)	16,231	-872	-1,852
Therapy Services (90295)	329,133	490,251	535,397

Elective home Education Monitoring (90288)	26,123	33,084	40,714
Medical Home Tuition (90282)	202,609	208,124	203,869
Hospital Tuition (90610)	34,000	5,055	2,096
SEND Strategy (DSG) (90281)	56,157	66,653	64,178
<b>TOTAL</b>	<b>1,784,747</b>	<b>2,056,821</b>	<b>2,395,697</b>

<b>Table D Non Statutory Services</b>	<b>2022/23</b> <b>£</b>	<b>2023/24</b> <b>£</b>	<b>2024/25</b> <b>£</b>
Language and Literacy Centres LALs (90555)	187,553	161,690	171,840
Specialist Inclusion Support Service (90585)	50,000	50,000	50,000
PRU Outreach Service (90582)	61,200	61,200	61,200
Cognitive and Learning Team (90280)	328,257	345,230	310,324
ASD Advisory Service (90830)	268,046	282,703	272,098
Vulnerable Children (90961)	178,980	112,558	74,589
Early Development and Inclusion Team (90287)	86,663	91,294	56,511
Dingley's Promise (90581)	30,000	30,000	105,000
Therapeutic Thinking (90372)	52,457	30,986	54,508
Emotional Based School Avoiders (WBC managed)	123,879	105,075	101,001
Emotional Based School Avoiders (School managed)	99,864	111,199	110,960
Early Years Speech & Language (Invest to Save)	7,665	12,290	0
SEMH Practitioner (invest to save)	14,497	25,482	17,526
<b>TOTAL</b>	<b>1,489,061</b>	<b>1,419,707</b>	<b>1,385,558</b>

High Needs Block (HNB) Budget 2026/27

TABLE E	2022/23			2023/24			2024/25		
Place Funding	pupil numbers	planned places	£	pupil numbers	planned places	£	pupil numbers	planned places	£
Special Schools – pre 16	448	286	2,860,000	409	286	2,860,000	423	286	2,860,000
Special Schools – post 16		79	790,000		79	790,000		79	790,000
Resource Units Maintained – pre 16	32	35	222,000	33	35	238,000	33		234,000
Special Schools and PRU Teachers Pay & Pension			304,690			324,864			332,520
Mainstream Maintained post 16	6	6	36,000	16	6	36,000	6	6	36,000
PRU Place Funding	72	66	660,000	72	66	660,000	72	66	660,000
<b>TOTAL</b>			<b>4,872,690</b>			<b>4,908,864</b>			<b>4,912,520</b>