



SCHOOLS FORUM

School Notional SEN and Financial Standing

17 June 2014

Content Applicable to;		School Phase;	
Maintained Primary and Secondary Schools	X	Pre School	
Academies	X	Foundation Stage	X
PVI Settings		Primary	X
Special Schools / Academies		Secondary	X
Local Authority	X	Post 16	
		High Needs	X

Purpose of Report

Content Requires;		By;	
Noting	X	Maintained School Members	
Decision		Maintained Special School Members	
		Academy Members	
		All Schools Forum	X

1. This report sets out for Schools Forum the financial position as recorded for all Leicestershire Schools for 2023/23, how this information will begin to be used by the Local Authority to inform discussions on school performance and the expansion of the notional SEN Budget.

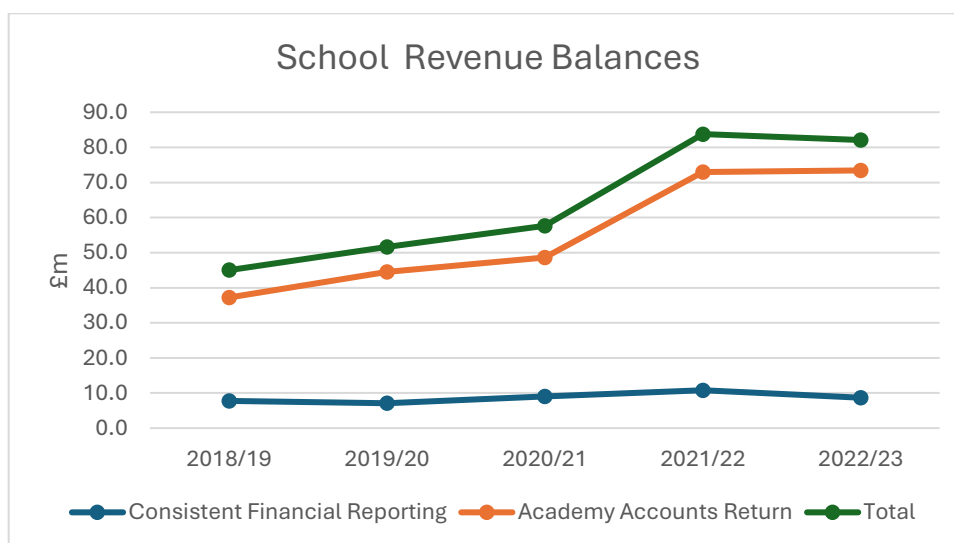
Recommendations

2. That Schools Forum notes the content of this report and:
 - a) The intention of the Local Authority to expand the Notional SEN Budget calculation for 2025/26 to include Free School Meal and Ever 6 Free Schools Meals
 - b) To consider the financial data presented in this report within assessments of school performance and in assessing requests for Exceptional SEN funding.

Background

School Balances

- Schools Forum received a report in November 2023 which presented a review of the Notional SEN budget. Since that point the data has been expanded to include the overall financial position of all schools as reported by maintained school through Consistent Financial Reporting (CFR) and for academies the Academies Annual Return (AAR) published by the DfE for 2022/23. Whilst data is taken from different points i.e. 2023/24 school budgets and expenditure for 2022/23 it does give a reliable snapshot at a point in time.
- In addition to the analysis set out in the Appendix to this report it has been possible to do trend analysis on school balance which is shown in the following chart:

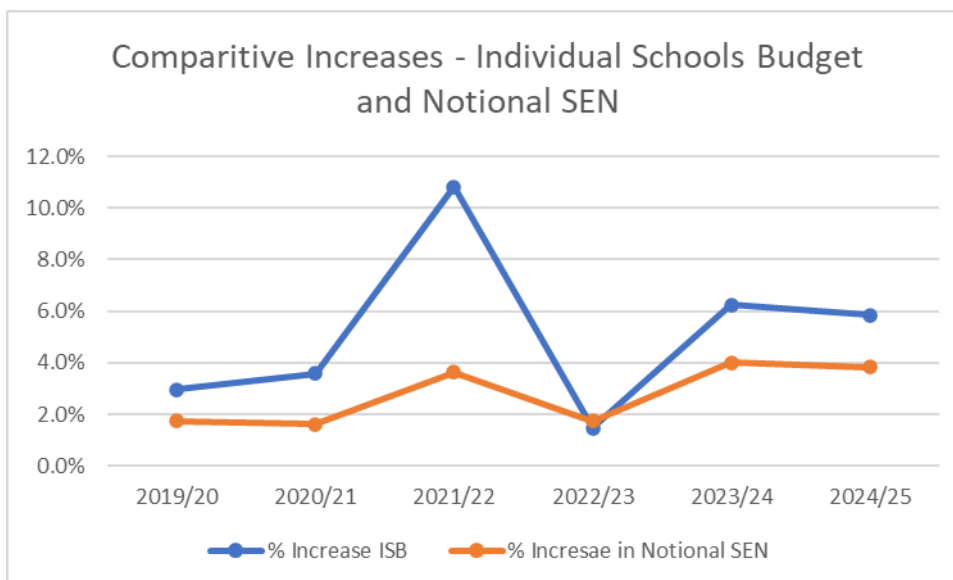


- The DfE report nationally that there was a increase in school balances prior to the 2020 Pandemic, that balances increased sharply in the following years, began to decline in 2021/22 but remain above pre Pandemic levels. It can be seen from the above that Leicestershire follows this trend.

Notional SEN

- Schools Forum received a report in June 2024 on resetting the SEN Finance System. In addition to setting out that Leicestershire allocates a lower proportion of the overall individual school budgets to Notional SEN it also set out that school funding has risen faster than the Notional SEN allocation, as set out below:

Overall mainstream schools have received a lower increase in Notional SEN than in core funding yet are supporting significantly higher numbers of pupils receiving Element 3 funding. With 15.9% of pupils on the October 2022 Census recorded as having an EHCP or at SEN Support this suggests the Notional SEN Budget should be £77.3m which would be an increase of 113% from the 2023/24 budget of £36.3m and the balance of funding between schools and the local authority, and indeed how it is used, needs to be reset in order to deliver better outcomes for children and young people.



7. The DfE are increasing using Free School Meals (FSM) and Ever 6 FSN (Ever 6) as proxy indicators of SEND in schools and the use of these actors are not included within the current Notional SEN allocation as can be seen from the table below;

Funding Factor	2024/25 % to Notional SEN
Age Weighted Pupil Unit	4%
Prior Attainment	50%
IDACI	67%
Total Notional SEN Budget Contained within the Funding Formula	£37.687m

8. For 2025/16 the Notional SEN allocation will be expanded to include 50% of the funding allocated by FSM and Ever 6 which for 2024/25 would have been £3.758m and £7.907m respectively. The restated 2024/15 Notional SEN Budget for 2024/25 would therefore be £49.354m and 9.4% of the total Individual Schools budget. Making this change brings it more in line with the SEND population.

Use of Financial Data

9. Financial performance is not routinely considered when making judgment on school performance neither is it considered when school may wish to access exceptional SEN funding. The data has its limitations as it is a snapshot in time and takes no accounts of school future financial plans or performance, it will be used to inform discussions and use of funding as a result may be challenged.
10. From September 2024 a new process has been introduced to inform decisions on any SEN exceptional funding requests, in this new process schools will be challenged on the use of their Notional SEN.

Resource Implications

11. Expanding the calculation of the Notional SEN budget does not generate additional funding to schools. The Notional SEN budget is a guide to the funding schools should be planning to use to meet their best endeavours to meet the needs of children and young people with SEND.

Background Papers

Schools Forum 21 November 2023 – Review of Notional SEN

<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=1018&MId=7631&Ver=4>

Schools Forum 13 February 2024 – 2024/25 Schools Budget

<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=1018&MId=7711&Ver=4>

Schools Forum 18 June 2024 – Resetting the SEN Finance System

<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=1018&MId=7734&Ver=4>

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