

BEAM COUNTY PRIMARY SCHOOL

Report to the Governing Body*SEND Provision, High Needs Funding and the School's Financial Position*

Field	Detail
Meeting	Full Governing Body - Thursday 4 th June 2026
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Status	Confidential – for governors only
Purpose	Decision and assurance: to brief governors on the school's financial and SEND position, the structural causes, and the strategy being pursued; and to seek governors' endorsement and support.

Drafting note: this report contains a mix of audited figures and the school's own internal analysis. Figures marked "school estimate" will be confirmed by the School Business Manager during the meeting. The SEND data has been reviewed by the SENDCo.

1. What governors are asked to do

Governors are asked to:

1. Note the school's financial position and accept that its causes are structural and external, not a failure of financial management at school level – a conclusion independently supported by the Schools Resource Management Adviser (SRMA) review.
2. Endorse the strategy set out in Section 7, including the Freedom of Information request to the local authority, correspondence to the local MP and the Department for Education, and a formal written question to the Schools' Forum.
3. Support the school in seeking a formal, agreed deficit recovery plan (or licensed deficit) with the local authority that recognises the unfunded statutory provision the school is carrying.
4. Agree governor-level support – for example, the Chair co-signing key correspondence to the local authority and MP on behalf of the Governing Body.
5. Authorise the Headteacher to seek professional advice (through the school's association and, where appropriate, legal advice) on the local authority's funding, recoupment and admissions duties.
6. Agree to receive a standing termly update and to add SEND-driven financial risk to the school's risk register.

2. Executive summary

Beam County Primary School is a high-inclusion mainstream primary with a strong local reputation for supporting children with special educational needs and disabilities (SEND). Despite falling pupil numbers across the borough, the school is carrying a projected deficit approaching £2 million.

This position is not the result of school-level financial mismanagement. It is driven by a concentration of complex SEND – including a significant number of children whose needs are at or near specialist level, many without a finalised Education, Health and Care Plan (EHCP) – for which the funding the school receives does not meet the actual cost of safe, lawful provision. The SRMA review has independently validated the school's position.

Three structural problems sit beneath the deficit: (i) high needs funding is largely tied to EHCPs and to an application process that does not keep pace with the scale of need; (ii) EHCP top-ups and banding decisions do not reflect the true cost of provision, and the EHC process itself is slow and unresponsive; and (iii) cross-border funding for pupils resident in a neighbouring authority has been aligned downwards, so that funding no longer follows assessed need.

The pressure is also escalating sharply. The 2026/27 Reception intake alone includes 15 children, out of a cohort of 75, with complex and largely non-verbal needs – more children than the school’s entire specialist class – yet only a small number are on the EHC pathway that most funding depends on. This represents a greater level of need than when the school first raised a crisis in 2023.

Recent national reforms are welcome, but the measure that would most help – the deficit write-off – repairs the council’s books rather than the school’s budget, and the new school-level grant is modest and ring-fenced for inclusion. Governors are therefore asked to support an active, evidence-led strategy to secure appropriate funding and to protect the school’s ability to meet its statutory duties.

3. Financial position

The school’s deficit has grown rapidly, with the largest single-year increase being almost £880,000. The school holds reserves in the bottom quartile across the borough.

Measure	Figure	Source / note
Deficit – 2024/25 (actual)	£1.32m	Reported by the school
Largest single-year increase	≈ 900k	Year-on-year movement
Deficit – 2025/26 (projected)	approaching £2m	School projection
Reserves position	bottom quartile	Borough comparison

Borough context (for governors’ awareness):

- The majority of the borough’s maintained schools are in deficit – a clear sign that this is a systemic, not a single-school, problem.
- The local authority’s High Needs Block is forecast to overspend by £3.1m in 2025/26 (following overspends of £6.6m in 2024/25 and £3.3m in 2023/24).
- Importantly, the local authority’s own cumulative Dedicated Schools Grant (DSG) deficit for 2025/26 is around **£1.94m** – smaller than this single school’s deficit. This matters for strategy: the national deficit write-off (Section 6) repairs the council’s balance sheet, not the school’s budget.

4. Why the school is in deficit – the structural causes

4.1 How high needs funding is allocated – and why it does not match need

High needs funding is largely tied to Education, Health and Care Plans (EHCPs). The local authority’s mainstream top-up funding is not distributed equally across schools: the first allocation was based on pupils with EHCPs, and the second on high needs applications. In the most recent round the SENDCo submitted 33 applications for pupils with high needs who do not yet have an EHCP – an indication of the scale of need the school is meeting that the funding system does not yet recognise.

Compounding this, changes to the funding model are decided centrally and communicated to schools late – typically in July, after budgets are set – leaving no time to plan. A further change is anticipated: the High Needs Working Party meets on 10 June 2026 and SEND support payments to schools are due to be confirmed at the Schools’ Forum on 23 June 2026, with the detail again unlikely to reach schools until the new year.

4.2 Delays in the EHC process directly delay funding

Because funding is tied to EHCPs, delays in the EHC process translate directly into delayed or withheld funding. The school has outstanding EHC queries that have gone unanswered since at least 24 April 2026 despite repeated chasing, and the SENDCo has now escalated these through

a formal written complaint to the Head of the EHCP team. Provision for these children continues in the meantime, funded from the school's own budget.

4.3 EHCP top-ups and banding below the true cost of provision

Top-up funding for pupils with EHCPs, and the bands attached to them, do not meet the actual staffing and provision cost of complex mainstream support. The school's internal analysis of its specialist ("Atlantis") cohort illustrates the gap:

Specialist (Atlantis) cohort – school estimate	Amount	Note
Pupils in provision	12	Internal
Funding if all funded at Band H (£12,510 each)	£150,120	Reference
Funding currently received for the cohort	£92,696	Internal
Annual shortfall against Band H	£57,424	Internal

A key point for governors and for the SEND QA review process: a child who presents as calm and regulated is often calm because the provision is working – that is a reason to maintain higher-band funding, not to reduce it.

4.4 Cross-border (Havering) funding aligned downwards

The school admits a growing number of pupils resident in the neighbouring London Borough of Havering whose EHCPs specify higher levels of provision than is typical locally. The funding for these pupils has been aligned to Barking and Dagenham's lower rate following inter-authority discussions to which the school was not a party and of which it was not informed. The funding no longer follows the child's assessed need across the borough boundary.

Cross-border funding comparison – school evidence	Havering	LBB
Indicative per-pupil top-up (pre-alignment)	£18,096	£9,750
Recent needs-based consultation figure	£21,272	–
Hours typically specified on EHCP	32.5 hrs	25 hrs

Several of these points were also supported by the SRMA review.

4.5 Lagged funding against immediate cost

Pupil-led funding is lagged – it arrives after the pupils do – whereas staffing and provision costs are immediate. Rising numbers therefore do not resolve the financial position; they can worsen it in-year when the additional pupils have complex needs.

4.6 Admissions, Fair Access Protocol and cumulative complexity

The school continues to receive pupils with high and immediate need, sometimes without finalised EHCPs and sometimes ruled out of the Fair Access Protocol (FAP), with placements made under the School Admissions Code (2021). The cumulative complexity already held by the school is not adequately weighed in these decisions, and pending EHCP assessments submitted by the school are not reflected in the data used, meaning the recorded level of need understates the real position.

4.7 The early years and reception pipeline – an escalating position

The most immediate forward pressure is the incoming intake.

- The 2026/27 Reception cohort includes 15 pupils, out of a cohort of 75, with complex and largely non-verbal needs – only a small number of whom are on the EHC pathway. This is more than the school's entire 12-place specialist (Atlantis) class, and a greater level of need than the crisis the school identified in 2023.

- A further four children entering Nursery present the same profile of need.
- An earlier cohort, where concerns were first raised in 2023, is now in Year 2 and forms part of the current deficit.
- Forward specialist demand continues to build: three pupils are currently in consultation for Trinity or another specialist setting, with projected need for specialist secondary (Year 7) places of four pupils in 2028, two in 2029 and three in 2030.

Because of the deficit, the school is undertaking a restructure under which its highly effective specialist provision is no longer financially sustainable – at the very moment incoming need is rising – which, paradoxically, risks increasing costly out-of-borough demand across the system.

5. National policy context – opportunities and limits

The Government’s Schools White Paper, Every Child Achieving and Thriving (23 February 2026), and the associated SEND reforms create both opportunity and an important caveat for the school.

Measure	What it means for Beam
High Needs Stability Grant – 90% of councils’ historic DSG deficits, paid Autumn 2026, conditional on an approved local SEND reform plan	Repairs the local authority’s DSG balance sheet (a modest sum locally); does NOT clear the school’s revenue deficit. The local reform plan is, however, the route through which local funding distribution can be changed.
Inclusive Mainstream Fund – £1.6bn over three years from 2026/27	A new ring-fenced grant for inclusion, allocated to every mainstream school by a national formula (a lump sum, a per-pupil rate and a weighting for low prior attainment, with an area cost adjustment) using October census data – not by local decision. Paid to maintained schools via the local authority from June 2026; the school must publish a statutory inclusion strategy by 31 December 2026. Because the amount is set nationally, the local lever is the high needs top-up distribution (Section 4.1), not this grant.
Experts at Hand – £1.8bn for specialists into mainstream	Potential direct support (speech and language, educational psychology) for the school’s cohort.
£200m SEND staff training; statutory override ends April 2028	Workforce support; after April 2028 councils must meet residual SEND costs from their own funds, increasing pressure to control spend – and scrutiny of schools.

The national high needs funding formula has been suspended pending reform, which means local distribution methodology is more open to influence now than usual – a reason to engage actively rather than wait.

5.1 Independent evidence supports the school’s position

The school’s experience is corroborated by recent national research. The National Foundation for Educational Research (NFER) report High-SEND Schools: Understanding the Uneven Distribution of Pupils with SEND across England’s Mainstream Schools (interim findings November 2025; full report due summer 2026, funded by the Nuffield Foundation) shows that pupils with SEND are not spread evenly: a minority of inclusive mainstream schools educate far more than their local intake would predict, with the highest-EHCP primary schools carrying around six times the rate of the lowest. NFER concludes that this clustering creates cumulative staffing and resource pressures that current funding arrangements do not reflect, and argues that responsibility for inclusion cannot rest with a few schools if a genuinely inclusive system is the goal. It also notes that the notional £6,000 SEN threshold has not increased since 2013 despite the rising cost of provision. This independent analysis closely mirrors Beam’s position and strengthens the case the school is making.

6. Action taken to date

- June 2025: formal written escalation to the local authority’s Head of Finance and Virtual Headteacher of SEND setting out the crisis and requesting urgent action.
- 25 February 2026 (FMG panel) and 2 March 2026: a written question and follow-up on complex SEND funding equity, DSG deficit action and a banded F/G/H data request (a written reply within 10 working days was requested).
- 16 March, 27 April and 30 April 2026: further correspondence on the SEND reform plan, mainstream high needs funding and the impact of recent admissions, requesting a written response by 15 May 2026.
- To date, no substantive written response has been received on the central funding-equity questions.
- The SRMA review has independently considered and supported the school’s position.
- A formal Freedom of Information request has now been submitted to the local authority for the banding data, the funding distribution methodology, the Fair Access Protocol policy and the records of the cross-border (Havering) funding decision.
- The SENDCo has pursued outstanding EHC queries since at least 24 April 2026 and, following continued non-response, has escalated to a formal written complaint to the Head of the EHCP team.
- The Headteacher and SENDCo met the local authority’s Virtual Headteacher of SEND on 20 May 2026; the authority has confirmed that SEND support payments to schools will be set at the Schools’ Forum on 23 June 2026, following the High Needs Working Party on 10 June 2026.

7. Strategy and next steps

Action	Purpose / route
Freedom of Information request (submitted)	Obtain the banding data, distribution methodology, cost modelling, FAP policy and Havering decision records. 20-working-day statutory deadline; escalate to internal review then the ICO if unanswered.
Engage the local SEND reform plan	Insist that high-inclusion mainstream schools without ARP/resourced provision are included in co-production, and press for needs-based distribution of the local high needs top-up funding – the element the authority controls.
Make representations ahead of the 23 June Schools’ Forum	Use the imminent decision on SEND support payments to press for needs-based allocation and for funding changes to be communicated in time for budget setting, not in January.
Write to the local MP and the DfE	Position Beam as a case study; ask the MP to raise it with the Secretary of State and to press for safeguards on cross-border funding and needs-based local distribution.
Formal written question to the Schools’ Forum	Place the EHCP-tied funding allocation, the application backlog and the cross-border alignment on the record with a required written response, closing off informal non-response.
Challenge banding decisions	Where evidenced, maintain higher-band funding; ensure pending EHCP assessments are counted in any need or data exercise.
Admissions	Continue to make reasoned objections where a placement would prejudice efficient education or use of resources under the School Admissions Code (2021); obtain and test the FAP policy.

Action	Purpose / route
Deficit recovery / licensed deficit	Seek a formal, agreed plan with the local authority that recognises the structural drivers and the SRMA findings.

8. Key risks

Risk	Impact	Mitigation
Continued / worsening deficit	Financial unsustainability; constraints on core provision	Recovery plan with LA; FOI evidence; reform-plan engagement
Inability to fund Section F provision	Breach risk against duties under the Children and Families Act 2014	Document unfunded provision; pursue correct top-up/banding
Loss of specialist (Atlantis) provision	Reduced in-house capacity; higher out-of-borough cost across system	Make the cost case to the LA; seek protected funding
Continued high-need admissions without funding	Safeguarding and staffing pressure; impact on all pupils	Admissions objections; cumulative-complexity evidence
Staffing capacity / restructure	Workload, retention and provision quality	Phased planning; governor oversight; union engagement
Incoming 2026/27 cohort (15 complex pupils) exceeds capacity	Unfunded provision from day one; risk to safety and to all pupils	Early EHC applications; representations to LA; protect specialist provision
Funding changes decided / communicated late; further change pending	Cannot set a reliable budget; in-year shocks	Press for timely notification; engage the 10 and 23 June meetings
No LA response / accountability gap	Drift and continued underfunding	FOI → ICO; Schools' Forum record; MP and DfE escalation

9. Recommendations to the Governing Body

That the Governing Body:

1. Notes the financial and SEND position and accepts that the causes are structural and external, as supported by the SRMA review.
2. Endorses the strategy in Section 7 and the correspondence already issued and planned.
3. Supports the pursuit of a formal deficit recovery plan / licensed deficit with the local authority.
4. Agrees governor-level support, including the Chair co-signing key correspondence on behalf of the Governing Body.
5. Authorises the Headteacher to seek professional and, where appropriate, legal advice on the local authority's funding, recoupment and admissions duties.
6. Authorises the Headteacher and SENDCo to make formal representations to the local authority ahead of the Schools' Forum on 23 June 2026, where SEND support payments are due to be confirmed.
7. Adds SEND-driven financial risk to the risk register and agrees a standing termly update.

Appendix – glossary of terms

Term	Meaning
AWPU	Age Weighted Pupil Unit – the basic per-pupil funding every school receives (c. £4k primary).
Notional SEN budget	The element of a school's budget identified for SEN; the first c. £6,000 of a pupil's support cost is expected to come from here before top-up.
Top-up (Element 3)	High needs funding paid by the local authority on top of AWPU and notional SEN to meet an individual pupil's assessed needs.
EHCP	Education, Health and Care Plan – the statutory plan setting out a child's needs and the provision (Section F) required to meet them.
Bands F / G / H	Local banding levels used to set top-up funding by level of need (H being higher need).
ARP / resourced provision	Additionally Resourced Provision – a funded specialist unit within a mainstream school; Beam does not host one.
DSG	Dedicated Schools Grant – the main government grant to local authorities, including the High Needs Block.
FAP	Fair Access Protocol – the local process for placing hard-to-place pupils.
SRMA	Schools Resource Management Adviser – an independent DfE-commissioned reviewer of a school's finances.
NFF	National Funding Formula – the formula determining school and high needs allocations (high needs element currently suspended pending reform).