

## Appendix A – Trends in SEN Expenditure

### Schools Budget 2012/13

Similar sized budget cuts of £1m or more are likely in 2012/13 due to continued falling rolls and continued rising SEN costs.

Developing proposals to contain SEN expenditure will be very important in shaping the 2012/13 budget. The SEN expenditure trends reported to Schools Forum in October 2007 (which formed the basis for the delegation of Bands 1 & 2) has been updated and although this work needs to be finalised – it suggests the following after adjusting for inflation

### Indicative draft SEN trends 2000-2010 (to be finalised)

2000/01 price base	2000/01	2006/07	2007/08	2008/09	2009/10	2010/11
	£'000	£'000	£'000	£'000	£'000	£'000
Primary SEN Banding (or equivalent)	1,232	1,583	1,713	1,715	1,790	1,927
Secondary SEN Banding (or equivalent)	998	1,220	1,276	1,221	1,459	1,492
SEN % share of Education Budget	3.4%	3.5%	3.7%	4.2%	4.7%	5.0%
Special School Budgets	1,541	2,422				3,012
Complex Needs DSG share only	509	983				1,473
Total SEN spend	4,280	6,208				7,904
Increase in spend above inflation		+45%				+85%
% change in primary pupil numbers since 2000		-10%				-14%
% change in secondary pupil numbers since 2000		+4%				-1%

To summarise since April 2006 and after adjusting for inflation an additional £1.7m (at 06/07 spend base) or £1.9m at (10/11 spend base) is being spent on SEN, an increase of +27% from a DSG budget that has reduced because of falling pupil numbers by -4.5% since 2006 (and -8.4% since 2000).

The Complex Needs budget (CNS Section 75 joint budget) will rise by £482k in 11/12 and a further £153k in 12/13 (DSG share only).

Since 2000 the increase in spend (above inflation) is 85% whilst primary numbers have reduced by -14% and high schools by -1%.

The impact of banded funding shows clearly in the growth since 2006.

More work still needs to be completed however the analysis provides useful background to the rising costs of SEN and increasing budget difficulties in schools. Rises in SEN expenditure have to be met from DSG and result in less funding to schools through the LMS formula.

This analysis will be essential in considering the budget challenges going forward.

## 2. Further analysis of SEN Expenditure on Banded Funding

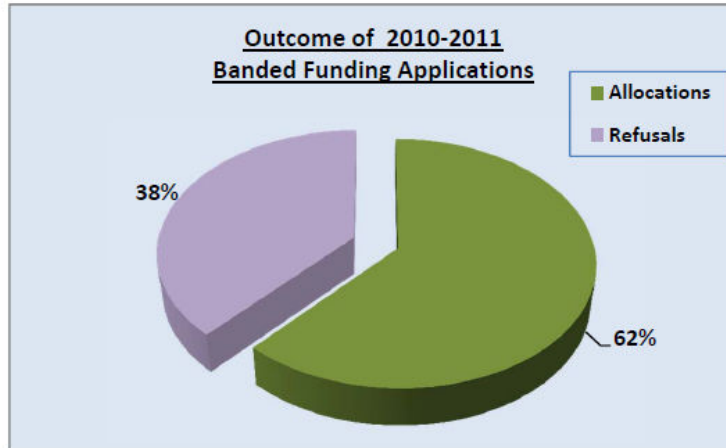
Key points:

- Banded Funding without Statements via Banded Funding Panel. Between 2006-10 there was evidence of an increase in the number of allocations via the Banded Funding Panel at Band Level 3 or 4.

	2006-07	2007-08	2008-09	2009-10	2010-11
Band 3	23	33	32	35	62
Band 4	9	12	14	15	19

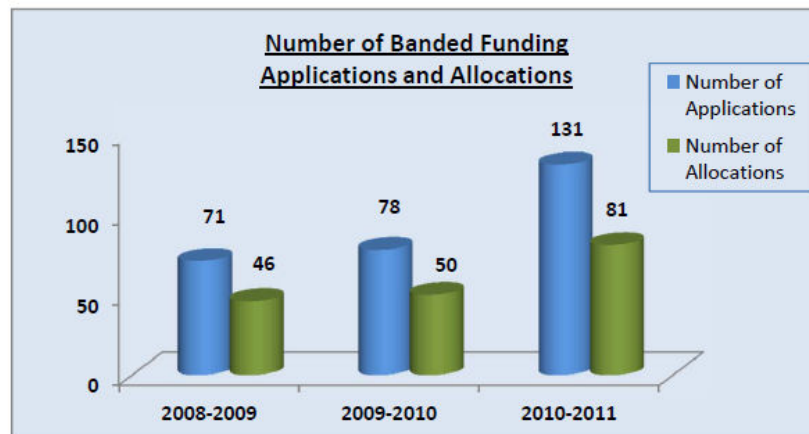
## Banded Funding

Of the 131 applications for Level 3 or Level 4 Banded Funding from Herefordshire Schools, 81 allocations were made whilst 50 applications were refused.



### Trends in applications and allocations

There has been a 67.9% increase in the number of applications in 2010-2011 over the same period in 2009-2010 whilst the number of allocations during this period has risen by 62%.



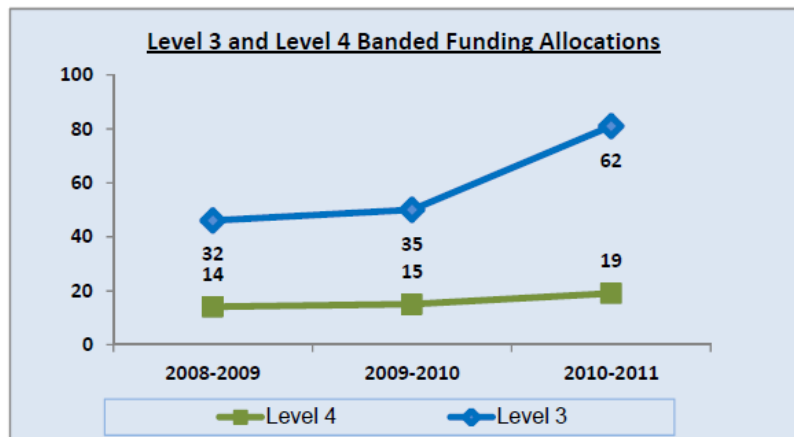
As a comparison the increase in the number of applications in 2009-2010 over the same period in 2008-2009 was 9.86%, whilst the percentage increase in allocations was just 8.7%

Whilst applications for Banded Funding increase, the percentage trend over the last three financial years shows a small decline in the percentage of allocations awarded and a increase in the number of applications for funding refused.

	Allocations		Refusals	
	Number	%	Number	%
2008-2009	46	64.8%	25	35.2%
2008-2010	50	64.1%	28	35.9%
2008-2011	81	61.8%	50	38.2%

### Analysis of Allocations

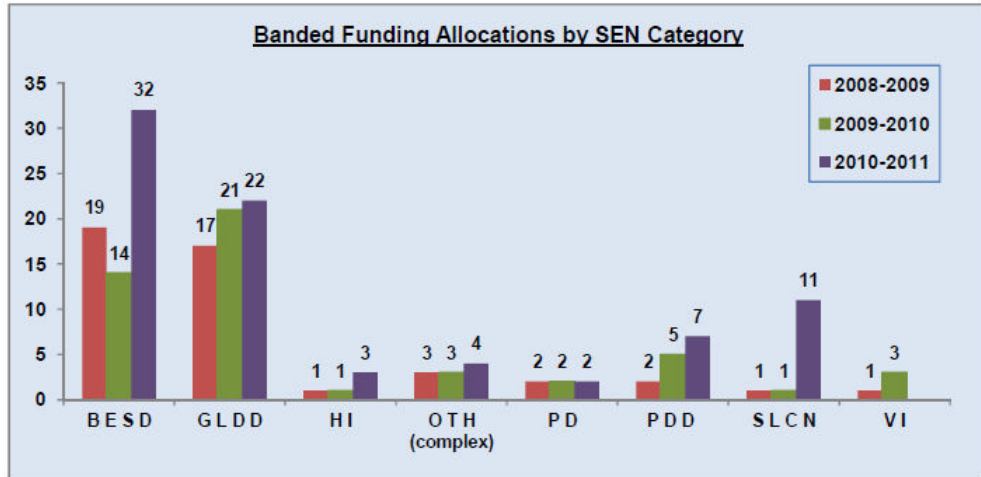
2010-2011 has seen a 77.1% increase in the number of Level 3 allocations made to schools compared to 26.6% for 2009-2010 . Level 4 allocations show a 26.6% increase in 2010-2011 and a 7.1% increase in 2009-2010.



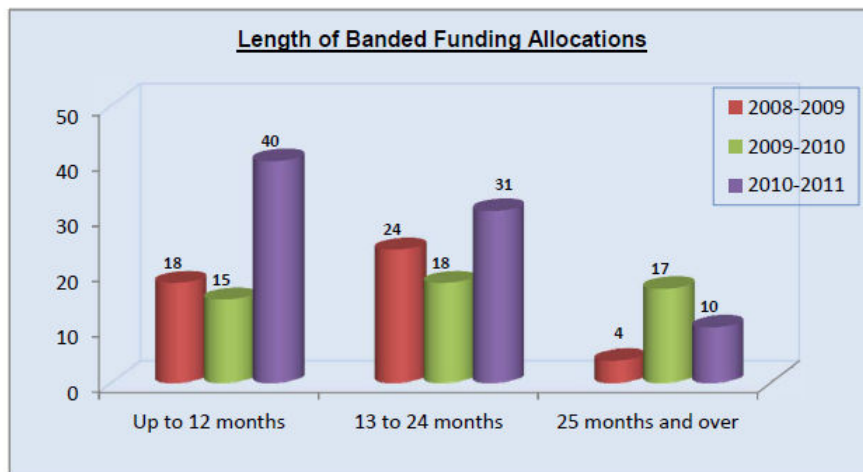
The majority, 86.4% of the Banded Funding Allocations were made to primary schools, with only 12.3% of the allocations made to Secondary Schools. Only one allocation was made to an Academy. The percentages for 2009-2010 financial year were similar at 88% and 12% with no allocations made to an Academy

	Allocations	%
Primary Schools	70	86.4%
Secondary Schools	10	12.3%
Academies	1	1.2%
Total	81	100%

The chart below shows the Level 3 and Level 4 Banded Funding Allocations over the last three financial years. Allocations for BESD have more than doubled in 2010-2011 over the same period last year. The other significant increase is in SLCN where allocations have jumped from 1 to 11 applications. Applications for GLDD continue to increase year on year along with those for PDD.



The next chart plots the length of the allocations awarded with comparisons over the last three years. Those allocations awarded for up to a 12 month period have increased significantly over the last financial year. The allocations in the 2010-2011 financial year for a period of 13 to 24 months have increased by 72% over the 2009-2010 financial year. The allocations for a period of 25 months and over fluctuate year on year.



- Banded Funding with Statements There has been a tripling of the number of Statements with Level 3 or 4 funding since 2005 with year on year increase; the greatest increase has been in the number of Level 4 allocations. Over a quarter of all Statements now have Level 3 or 4 funding. It needs to be noted that Herefordshire has a lower overall rate of statementing for the 0-19 population compared to nationally (1.42% compared to 1.85%).

Year	Level 3	Level 4	Total
2005	36	15	51
2006	47	27	74
2007	66	55	121
2008	61	60	121
2009	79	88	177

In 2010/11 there were an additional 51 Band 3 and 37 Band 4 levels of funding incorporated into statements.

- Statutory Assessment and Statement: Apart from 2007/08, there has been a year on year increase in requests for Statutory Assessment and an increase in the number of Statements issued.

Financial Year	Requests for Statutory Assessment	DECISION		OUTCOME	
		Assess	Don't Assess	Statements Issued	NiL issued
2006/07	51	38	13	34	4
2007/ 08	58	26	32	25	1
2008/09	90	53	37	44	7
2009/2010	102	65	29	43	1
2010/11	121	82	39	41	1

L Knight based on information supplied by M Green, J Riley and E Edwards