	Schools Forum 10 November 2026
	Report from the Corporate Director Children, Young People and Community Development

Update on Brent's SEND Reform Plan

Wards Affected:	All
Key or Non-Key Decision:	N/A
Open or Part/Fully Exempt:	N/A
No. of Appendices:	One Appendix 1: Brent SEND Capital Projects Phase 1 Progress update
Background Papers:	None
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1.0 Executive Summary

1.1 This report provides an update on the Dedicated Schools Grant (DSG) position, including the current and projected deficit, key cost pressures, progress against the management and recovery plan and risks alongside mitigating actions**.**

2.0 Recommendation

2.1 To note and discuss the contents of the report.

3.0 Contribution to Borough Plan Priorities and Strategic Context

3.1 This report supports the Council's Borough Plan 2023-2027, specifically the priority of The Best Start in Life, which aims to ensure that children and young people have opportunities, support and high-quality education needed to raise aspirations, achievement and attainment. This report provides updates on DSG's High Needs Block (HNB) budget position and related funding matters, ensuring that the Schools Forum remains informed and able to support the effective management and oversight of education funding in Brent.

4.0 Detail

Financial Update

Table 1: 2026/27 DSG Quarter 2 forecast

Funding Blocks	Overall DSG Funding 2026/27	Forecast Expenditure	Overspend/ (Underspend)
	£m	£m	£m
Schools Block	126.9	126.9	0.0
High Needs Block	84.1	104.9	20.8
Early Years Block	45.5	45.5	0.0
Central Block	2.5	2.5	0.0
Total DSG	259.0	279.8	20.8

4.2 The DSG funding allocation for the financial year is £259m and the current in-year deficit projection is £20.8m.

4.3 The cumulative DSG deficit brought forward from 2025/26 was £20.2m. and without funding support from the government, the deficit was forecast to rise to £41m by year end March 2027. However, the Council submitted its SEND Reform Plan in support of its application for the High Needs Sustainability (HNS) grant in June 2026 and has recently received confirmation that the plan has been accepted and, subsequently, that 90% of the deficit to March 2026 will be covered by the HNS grant (£18,2m). £2m has been earmarked in the General Fund reserves to mitigate the remaining 10%.

4.4 The extension of the statutory override to March 2028 provides continued protection by allowing DSG deficits to be held outside the General Fund. The combination of HNS grant funding and the Council's dedicated reserve provision is expected to eliminate the historic DSG deficit position (i.e. deficits accrued up to March 2026). While the DfE had indicated further support will be forthcoming, uncertainty remains regarding deficits that will arise in 2026/27 and 2027/28, as the nature and extent of future Government support, and any conditions attached to it, have yet to be confirmed. Consequently, some financial planning uncertainty remains until further details are published by the Government.

Update on the SEND Reform Plan

4.5 Submitted in June 2026, Brent's SEND Reform plan was co-produced with all relevant stakeholders. The plan details Brent's response to the Government's 'Experts at Hand' (EAH) programme. Every top-tier local authority had to submit plans, and each set of plans is bespoke to the region they cover. Brent has articulated a model of early educational support delivered at 'cluster' level (to match the four clusters utilised by health within the borough) and designed to meet needs earlier and support inclusive practice in mainstream schools without the need for an education health care plan (EHCP) where appropriate. The support will be delivered by a multi-disciplinary team, recruitment for which is underway and progressing positively.

4.6 It has been projected that, if successful, EAH could reduce EHCP percentage increases to 5%/annum by March 2029. The financial impact of this reduction is currently being modelled, but early calculations that assumes an average cost per EHCP per annum of £23,000, suggests that if percentage increases were reduced to 5% (from 10%) the cost avoidance per annum would be at least £5m/annum (not including costs for e.g. SEND travel assistance). EAH could, therefore, not only provide better and earlier support for children and families but also help to bring about a more financially sustainable SEND system.

4.7 The EAH work is funded by a separate grant, the SEND Reform grant, the value of which in 26/27 is £2,564,843 with indicative funding for 27/28 and 28/29 given as £4,488,475 and £5,071,977 respectively. The funding comes with criteria specifying on what type of support/resource the money can be spent. Brent is adhering to all grant conditions.

4.8 The EAH offer will launch officially in January 2027, with the additional staff (41 in total for the 26/27 AY) adding to and expanding Brent's well-regarded SEND Outreach service. The long-term aim is to integrate this educational offer with health, early help and where needed social care support to create a holistic approach to meeting child development needs within the borough. Work to develop co-ordination with placed based approaches such as Harlesden's 'Working in Neighbourhood' model is in train.

Risks and Mitigations

4.9 Whilst there is some cautious optimism regarding the potential positive impact of the EAH offer on children, families and schools, the broader proposed changes to SEND in England – especially the proposal to replace significant numbers of EHCPs/potential EHCPs with non-statutory support plans - has caused significant anxiety within some communities. Currently, this anxiety is being partly expressed through a marked increase in the number of parents (not schools) requesting education health care needs assessments (EHCNAs) for their children. This carries a financial risk – both in terms of additional plans should they be agreed and legal costs should the LA contest the applications. The volatility of referral rates over the past year makes this risk difficult to quantify. Work is ongoing to model the potential impact of a range of scenarios.

4.10 Whilst the EAH offer is funded until the end of the 28/29 FY, the Government has not shared what funding will be available after this point. This creates a risk in terms of trying to plan for long term financial sustainability. It also creates a risk to recruitment as the funding end-date approaches. Due to a lack of certainty of future funding, EAH staff have been recruited on short-term (2 year) contracts, which will make it hard to recruit and retain staff as time progresses, in particular in already hard to recruit roles. To mitigate this risk, the need for clearer longer-term plans has been shared with colleagues within the Department for Education.

4.11 As stated in 3.5, above, whilst the approval of Brent's SEND Reform plan unlocks funding to clear 90% of Brent's cumulative HNB deficit up to the end of the 25/26 FY, it has not been communicated what funding may be available after this point to support deficits accrued in current and future financial years. This is

a cause for concern with currently no clear mitigation other than continued scrutiny of spend in areas of highest cost pressure i.e. spending on independent and post-16 placements.

4.12 To address the educational and financial challenges presented by a lack of sufficiency of in-borough, maintained specialist placements, Brent has a comprehensive set of SEND capital development plans. These plans, known as Phase 1 and Phase 2 (with Phase 3 currently in development) will have added over 594 additional specialist places by January 2030 (for full details see Appendix 1). It was estimated that the Phase 2 plans to secure an additional 212 specialist places could achieve cost avoidance of £5.6m (£4.3m one off cost avoidance on the HNB, £1.3m/annum on travel assistance). A third phase of the SEND Capital programme is likely to propose a significant expansion of 100-120 places in additionally resourced provision alongside the development of an 80-100 place special school that could also act as a centre of excellence for training and staff development to support inclusive practice in Brent's mainstream schools, using SEND capital grant. The development of Phase 3 and the completion of Phase 1 is predicted to support further cost avoidance as in-borough, maintained places are circa. £18k/place/annum less expensive than placement in independent settings and carry less associated travel costs.

4.13 Delivery of the SEND phase 3 capital programme is dependent on spare capacity/space being used in the local mainstream school sector as a result of falling school rolls. Further detail will be provided in the November School Place Planning Strategy Refresh.

Benchmarking

4.14 Brent's EHCP rate has increased, although below national levels over the last three years (Table 2). While positive, this relatively lower increase does not successfully mitigate against the fact that the funding that Brent receives from central Government to meet costs associated with EHCPs has not risen in line with EHCP numbers. For example, in the 24/25 FY, EHCPs increased by 8% but Brent's HNB allocation increased by only 4%. In the 26/27 FY, the HNB allocation did not increase at all, whilst EHCP numbers rose by 10.4% as of January 2026. If this pattern continues, the HNB deficit will grow exponentially, compounded by price rises in the independent special school sector.

Table 2- EHCP Comparison	**January**	**January**	**January**	**January**	**January**	**January**
Financial year	2021	2022	2023	2024	2025	2026
Number of EHCP	2,784	2,938	3,251	3,500	3,791	4,186
Brent Year on Year EHCP % increase	15%	6%	11%	8%	8%	10.4%
National Year on Year EHCP% increase	**10%**	**10%**	**9%**	**11.4%**	**11.5%**	**12.5%**

5.0 Stakeholder and ward member consultation and engagement

5.1 Cabinet Members are kept abreast of the DSG forecast deficit position as part of the quarterly finance reports submitted to Cabinet.

5.2 School leaders have been consulted in development of Brent's response to the SEND Reforms and the development of the local Experts at Hand offer.

6.0 Financial Considerations

6.1 The financial implications are set out within the body of this report.

7.0 Legal Considerations

7.1 The proposed SEND Capital Programme Phase 1 and Phase 2 developments will be delivered in accordance with the Council's statutory duties and applicable legal, planning and procurement requirements. The design and delivery of the capital works will also seek to align with good environmental standards and sustainability principles, ensuring that the new and expanded educational facilities provide high-quality, inclusive learning environments while supporting the Council's wider environmental objectives. Any necessary approvals, consents and contractual arrangements will be secured in accordance with the relevant legislative and regulatory framework.

8.0 Equity, Diversity and Inclusion (EDI) Considerations

8.1 SEND provision is aimed at ensuring all children and young people have access to appropriate education.

9.0 Climate Change and Environmental Considerations

9.1 The SEND Capital Programme Phase 1 and Phase 2 developments will seek to incorporate sustainable design and energy-efficient measures, where practical and affordable, in line with the Council's climate objectives and relevant building standards. The projects are expected to enhance the sustainability of the school estate and support the Council's commitment to addressing climate change.

10.0 Communication Considerations

10.1 All School Forum papers are published for access by members of the public.

Report sign off:

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