



Northumberland

County Council

Your ref:

Our ref:

Enquiries to: Luke Dixon

Email: luke.dixon@northumberland.gov.uk

Date: 16th January 2025

Dear Sir or Madam,

A virtual meeting of the **SCHOOLS' FORUM** will be held on **WEDNESDAY, 22 JANUARY 2025 at 9.30 AM**. You will be sent a link to the meeting and I would be grateful if you could accept or decline the invitation accordingly.

I remind you that if you are unable to attend, you should arrange for an appropriate substitute to attend on your behalf. Alternatively forward any written representations to me in advance.

In the current situation can I ask that Forum members read all papers prior to the meeting and forward any questions or contributions to me in advance of the meeting, however, we will do everything possible to take comments at the meeting too.

Yours faithfully

Luke Dixon
Clerk to the Forum

To: Members of the Schools' Forum

**Copy to Audrey Kingham, Executive Director for Children, Young People & Education
and Councillor Guy Renner-Thompson**

AGENDA

It is expected that the matters included in this part of the agenda
will be dealt with in public.

		Decision/Consultation/ Information/Action
1.	MEMBERSHIP AND MEMBERSHIP UPDATE	Information
2.	APOLOGIES FOR ABSENCE	Information
3.	DISCLOSURES OF INTERESTS (IF ANY)	Information
4.	MINUTES AND MATTERS ARISING (Pages 3 - 12) Minutes of the meeting of Schools' Forum held on Wednesday 27 th November 2024, as circulated, be agreed as a true record and signed by the chairman	Action
5.	COMMUNICATION (Pages 13 - 50) Public Accounts Committee SEN paper (Jan 2025) (attached)	Information
6.	SETTING THE 2025/26 DEDICATED SCHOOLS GRANT (ATTACHED) (Pages 51 - 68)	Decision
7.	2025 WORK PROGRAMME AND MEETING DATES (ATTACHED) (Pages 69 - 70)	Information
8.	ANY OTHER BUSINESS	Information
9.	DATE OF NEXT MEETING The next scheduled meeting of the Schools' Forum is Wednesday 19th February 2025.	Information

NORTHUMBERLAND COUNTY COUNCIL

SCHOOLS' FORUM

At a meeting of the Schools' Forum on Wednesday, 27 November 2024 at 9.30 a.m. held virtually

PRESENT

A. Hardie, NCEA
(Chair, in the Chair)

Headteacher Representatives

M. Deane-Hall, Wooler and Glendale
Middle School

A. Mead, Cramlington Hillcrest
School

Governor Representatives

B. Mansfield, Newbrough CE Primary
School
B. Watson, St Robert's RC First
School

G. Wilkins, St Wilfrid's RC Primary
School

Academies Representatives

G Atkins, Hadrian Learning Trust
J. Holmes, Malvins Close Academy
(part of Wise Academies Trust)

J. Wilson, The Duchess's
Community High School

Roman Catholic Diocese – Vacant Post

Church of England Diocese – N. Threlfall

EYDCP-PVI –

Pupil Referral Unit Representative – R. Carr

16-19 Provider of Education Representative – W. Stephenson

Trades Union Representative – Vacant Post

Councillor L. Bowman (observer)

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Councillor M. Swinburn (observer)
Councillor C. Seymour (observer)
Councillor R. Wearmouth (observer)
J. Lewis (observer)

OFFICERS IN ATTENDANCE

L. Dixon	Assistant Democratic Officer
L. Little	Senior Democratic Services Officer
A. Kingham	Executive Director - Children, Young People and Education
B. Parvin	Education and Skills Business Manager
C. Street	Principal Accountant
D. Street	Director of Education, SEND and Skills

01. MEMBERSHIP AND MEMBERSHIP DETAIL

01.1 No new members had been appointed.

02. APOLOGIES

02.1 Apologies were received from S. Aviston, V McLeod, A Russell and S. Smith.

03. MINUTES AND MATTERS ARISING

03.1 **RESOLVED** that the minutes of the meeting of the Schools' Forum held on Wednesday, 17 July 2024, as circulated, be confirmed as a true record and signed by the Chair.

04. COMMUNICATIONS

04.1 HN Committee 14 October 2024 Draft Minutes

G Wilkins introduced the High Needs draft minutes from 14 November 2024 (amendment noted as it stated 14 October). He drew the Forums attention to page 13 of the agenda, section 9 of the High needs minutes where it stated a transfer of 0.5% would affect the DSG Schools Block. This equvalated out to £29 per pupil.

The Forum was informed that the next High Needs meeting would be taking place on Wednesday 03 February 2025.

G Atkins highlighted that he had expected to have received additional information as had been requested at the High Needs Meeting on the impact of the transfer of the

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additional 0.5% which the Forum were being asked to vote on later in the meeting. BP responded that the required information for this has not yet been released by the ESFA.

RESOLVED that the report be noted.

04.2 F40 Public Accounts Committee Submission

B Parvin ran through the information submitted in the F40 Public Accounts Committee report. Key information discussed was:

- An insufficient quantum of funding was being provided for High Needs Funding. High needs funding had increased, however, increased demand, complexity, inflation and impact of falling pupil numbers meant funding had not kept its pace.
- For every child with an EHCP, there was a notional £6,000 that a school contributes towards the provision from their core budget. This meant the more children with EHCPs a school had, the higher the financial contribution it needed to make, and this caused significant pressures on the budgets of schools willing to take more children with EHC Plans.
- A 30% increase in students with an EHCP had led to an increase in school transport demand in the last 3 years. This increased the overall services costs.
- The High Needs Block had seen some increase in funding to recognise growth in demand, however local authorities had not seen comparative growth in funding for activities they are required to fund directly.
- Free School Meal Funding (FSM) was set at £2.58 per meal and £2.53 per meal for universal infant free school meals. In 10 years, school meal funding had increased by 10%.

A graph of the Variation of High Needs Block Funding per pupil allocations for 2024/25 by local authority was shown to members. Northumberland sat in the middle of the graph compared to other local authorities.

RESOLVED that the report be noted.

05. **DSG FINANCIAL MONITORING 2024/25**

- 05.1 C Street, Principal Accountant, introduced the report to the forum and ran through the purpose of the report (attached as Agenda Item 6). The report provided information and analysis on the financial performance and use of resources for Dedicated Schools' Grant. The Council set its budget for 2024/25 on 21 February 2024 and the report focused on the financial performance to the end of September 2024 and the projected year end position at that point in time.

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The annual DSG allocation was £168.094 million after recoupment. The balance of each block at year end would transfer to or from the DSG reserve. The forecast position was a £6.352 million overspend in year and a forecast overdraw in the reserve of £5.193 million. The report did not include the new adjustment from the DSG which would see a slight increase back into the High Needs Block.

The Central Schools Block had a slight underspend which would be pulled back into the reserve. This was due to admissions posts being vacant for part of the year. The Early Years Block had a slight underspend due to shifts in planned works and vacant posts. The Schools Block also had an underspend due to vacant posts. The High Needs Block had an overspend of £6.690 million. The Council were forecast for a total deficit of £5.193 million.

The anticipated High Needs Block position is £0.144 million worse than the reported position presented in September. The High Needs Block forecasted an overspend of £6.690 million, driven by several factors:

- a. The EOTAS (Education Other Than At School) services were expected to underspend by £0.118 million due to:
 - i. An overachievement of £0.097 million in income from academies for reclaiming Age Weighted Pupil Unit (AWPU) and associated high needs funding.
 - ii. A £0.021 million underspend in pupil transport costs due to changes in transport procurement and EOTAS operational strategy.
- b. The Low Incidence Needs Team and Central Support budget was forecasted to have a £0.186 million underspend, attributed to:
 - i. A £0.122 million underspend from the short-term vacancy in the Head of SEND position and the Primary School Improvement Lead being funded through School Improvement.
 - ii. A £0.100 million underspend from short-term vacant Sensory Support Team teaching posts being filled at termly intervals.
 - iii. A £0.009 million overspend on maternity cover in Pre-School Special Education, preventing excessive agency costs.
 - iv. A £0.027 million overspend across the Low Incidence Needs Teams for additional staff training, travel, and short-term agency costs.
- c. The High Incidence Needs Team forecasted a £0.133 million underspend, due to:
 - i. A £0.041 million overachievement in grant income from successful renegotiations with the NHS concerning historic pay awards.
 - ii. A £0.083 million underspend in staffing costs from short-term vacancies within the team, being filled at different intervals during the academic year.
 - iii. A further £0.009 million underspend in non-staffing costs, primarily from decreased travel and training costs associated with vacant posts.
- d. The overall overspend on the High Needs Block was driven by a £7.209 million overspend due to the growth in Education Health and Care Plans (EHCPs). This forecast has increased by £0.449 million compared to August, with the number of

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EHCPs expected to grow from 3,949 to 4,200 by the end of 2024-25. The effect of this continued high growth had been broken down into:

- i. A £1.247 million overspend from an increase in the quantity and level of Top Ups paid to Academies, Mainstream and Special Schools.
- ii. A £0.133 million underspend from decreased Independent Special Schools and Out of County provision, as capacity is utilised within Northumberland Schools.
- iii. A £0.195 million overspend on Notional SEN Payments due to more children with EHCPs in Mainstream settings.
- iv. A £5.900 million funding gap associated with growth estimates from previous years.

e. The Inclusion Services forecasted to underspend by £0.082 million as the number of School exclusions are on trend with anticipated growth but not exceeding that. Anticipated transport costs reduced due to the impact of independent travel and change in transport provision strategy.

Members discussed the £87,000 additional funding received from the DSG for the High Needs Block. The additional funding was a result of work undertaken by the department of education and was funded through the import/export exercise. Officers went through data the DSG were charging for students outside the county who are funded, a total of £87 000 was recovered because of the exercise.

There was an additional £195,000 overspend in relations to SEN payments. The payments were introduced 3 years ago to support the most inclusive schools by providing additional payments for the first element 2 funding, once schools were above a certain threshold. It was agreed at the July Forum meeting to moderate and make payments at the start of a term rather than the end of the term. This was introduced to reduce the level of overpayments.

The team were thanked for their work done on the report and the clarity of statistics presented. The Forum were reminded that this was not unique to Northumberland, and it was a countrywide problem.

RESOLVED that the report be noted.

06. SEN UPDATE and UPDATED DASHBOARD USE

- 06.1 A PowerPoint presentation was given to members by B Parvin on the SEN update and Updated Dashboard use. There had been a 15% increase in the number of active plans for the SEN from 2023 to 2024.

NCC were above average for the percentage of EHCP's with 6% compared to the national average of 4.8%. This equates to NCC having the 11th Highest position for local authorities in the county. This allowed Northumberland to maintain more students in mainstream and special schools with educational health and care plans. Mainstream schools have seen a 32% increase of this from 2023 to 2024. Special

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schools have seen a 28% increase of this from 2023 to 2024. 30.6% of students were maintained by the Local Authority in special schools.

In total, 4010 students had a EHCP in place in Northumberland, of which 1523 were in special education, 864 in primary education and 638 in secondary education. 1049 of the students were between the ages of 5-10 meaning students were given EHCP's at an earlier age.

Members were then invited to asked questions or comment on the report. Key responses were:

- Officers were praised for the work they had done to put together the report and congratulated on all the work done for students regarding EHCP's.
- It was suggested that the report/statistics be taken to the Chairs of Guvnors meeting in Spring 2025 for review and distribution to headteachers or the report is shared with headteachers directly.
- Overspend was an important topic to discuss and it was suggested that it be drafted into the report for extra information to share it on a wider scale.
- members were informed that NCC were in line with the national average for turndown rates of pupils into schools. Tribunal rates had not gone up, but the waiting list for tribunals had increased in terms of date setting/ waiting times.
- Schools in Northumberland were praised for the excellent work they do with the limited resources they have.
- A suggestion was made for a deep dive into why Northumberland have so many EHCP's for further information.

RESOLVED that the report be noted.

07. NATIONAL FUNDING FORMULA AND SCHOOL FUNDING CONSULTATION

- 07.1 An update was given on the National Funding and School Funding Consultation. A report had been circulated to members via email before the meeting start.

B Parvin shared the report on his screen and took members through the report. A policy note had been published in November which stated an increase of 2.3 billion for Total Core School Funding which represents an overall estimated increase of 3.7%. A graph was then displayed to members labelled appendix 1 which showed the provisional values for the 2025/26 term. Grant funding elements such as the Teachers Pay Additional Grant, the Teachers Employers contribution Grant and the Core Schools Budget Grant were being rolled into basic funding allocations.

No minimum per pupil funding levels had been published for the 2025/26 term, however a bulletin from November gave estimated projections. An estimated £345(7.5%) increase for primary years and an estimated £470(7.8%) increase for KS3/4.

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The Funding Floor ensures that a school's funding is protected year on year and that all schools attract a minimum uplift to their pupil-led funding. The ESFA set thresholds for this, as determined by the MFG. For 2025/26, this must be set between -0.5% and 0%. This was 0.5% lower than the thresholds of 0 to 0.5% for 2024/25. In theory a funding floor of -0.5% could mean an overall drop in per pupil funding values for a school but officers would endeavour to maintain this at 0% subject to the final allocations being made available in December. Based on previous 2024/25 figures, this would be at a cost of £145,000 benefitting 15 schools.

Little information had been provided in relation to CSSB funding for 2025/26, except for the bulletin released in November referenced in the per pupil funding levels. Figures were shown to members. With an estimated projection of a 2.5% decrease in funding, funding would fall to £1,986,542 for the 2025/26 term. An estimated projection of a 2.98% increase would see a rise in funding to £2,068,153.

No information in relation to Early Years was published in the November bulletin. Details of the 2025/26 EY funding were to be received in December together with the rest of the DSG information for 2025/26.

B Parvin then took the forum through point 9 of the report which focused on De-Delegation which was the process by which the relevant maintained school members of Schools Forum could agree to have funding deducted at source from maintained schools for certain services as specified by the DfE. For academies and special schools to access these services, they would need to agree to buy in, either on an individual or a multi academy trust level. For 2024/25, de-delegation was agreed in respect of the following services:

- Contingency for costs arising from reorganisation or restructuring;
- Free School Meal eligibility checking;
- Trade union facility time; and
- Support to underperforming ethnic minority groups and bilingual learners;

It was anticipated that de-delegation would again be sought in respect of these services.

The Coquet Partnership area commenced phase 1 of a reorganisation in September 2024 which saw the 5 feeder First Schools retaining their Year 4 students into Year 5 as part of the 2 year transition to becoming Primary Schools. This process was to be repeated in September 2025, when the Year 5 students continued into Year 6 in the Primary School, Year 4 retained into Year 5 in the Primary Schools, at which point James Calvert Spence College would operate in line with a more traditional secondary Year 7 to Year 13 model. A similar request was being made in respect of the first Phase of the Berwick reorganisation, which would see Year 4 students retained into Year 5 in the First / Primary Schools with effect from September 2025. This required a disapplication request to be made to the ESFA, and this was submitted by the deadline of Monday 18 November.

There had been longstanding disapplication requests in relation to Seaton Delaval First School and Beaufront First School in respect of exceptional rental costs that were over 1% of their DSG. This resulted in approved exceptional circumstance formula factors of £9,000 (Seaton Delaval) and £6,750 (Beaufront) respectively which

would be resubmitted on an annual basis. In addition to these, the capital redevelopment of Astley High School meant that there was a further request in relation to this school following a new rental agreement and associated costs which were over the 1% threshold. This required a disapplication request to be made to the ESFA, and this was submitted by the deadline of Monday 18 November.

There had been ongoing discussions regarding last year's Schools Forum agreement to transfer 0.5%. The 2023 consultation was asked about a larger transfer in the future and the majority of Schools understood and were in favour of this. This was one of the subjects of a current consultation with Schools and an update would be provided. Discussions with the ESFA were ongoing in relation to the submission of a DSG Management Plan due to the resulting overall DSG deficit. This involved the production of parallel unmitigated and mitigated figures, showing the projected in-year and cumulative deficits, as current projections indicated, and then mitigated figures if proposed actions result in a reduced demands upon HN Block funding. Proposals shared included the development of Alternative Provision models, together with the Specialist Support Base developments which would hopefully enable students to remain in mainstream education for longer. Other proposals in relation to the timings of new banding requests and National school level SEN payments which have been implemented with effect from this term, as agreed at the July 2024 Schools Forum.

Appendix B was then shared to the Forum, which showed the questions asked as part of the School Consultation. 17 responses were received as of 26 November 2024. Many responders agreed to the transfer of 0.5% from the Schools Block to the High Needs Blocks for the 2025/26 financial year. However, as the questions got to supporting a larger transfer from the Schools Block to the High Needs Block in subsequent years to help address the £6 million gap in resources, many responders disagreed or answered, 'don't know'. As a result of this, it was agreed that the questions asked need better clarity to yield more accurate results.

Members of the Forum were then invited to ask questions relating to the report given. Officers' responses and comments made were:

- Going off older accounts, there was a potential that some schools would gain more funding than others.
- The current version of the SEND place plan has been shared; however, the new version was going to Cabinet in the new year, then it would be considered at Schools' Forum.
- Members of the forum praised the work done and agreed that the money funded was being used well for school students.
- Discussion had taken place with schools in workshops to cut top ups by 1/3rd.

Members were then asked to agree the following recommendations:

- a. Support the disapplication request arising from the second phase of the Coquet Partnership reorganisation with effect from September 2025. All **AGREED**.

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- b.** Support the disapplication request arising from the first phase of the Berwick Partnership reorganisation with effect from September 2025. All **AGREED**.
- c.** Support the disapplication request in relation to the exceptional Premises factors for Beaufront First School, Seaton Delaval First School and Astley High School. All **AGREED**.
- d.** Agree to a transfer of up to 0.5% (approximately £1.143 million) from the Schools Block to the High Needs Block for 2025/26. All **AGREED**.
- e.** Agree to a further transfer of up to 0.5% (therefore up to 1% in total) from the Schools Block to the High Needs Block for 2025/26. Discussion took place to defer this recommendation, however it was said this would not be practical due to the report going to the DFE on 22 January 2025. **7 AGREED** the recommendation, with **3 ABSTENSIONS** on the grounds of limited information.
- f.** Support the associated disapplication request in relation to the Block Transfer. **7 AGREED** the recommendation, with **3 ABSTENSIONS** on the grounds of limited information.
- g.** Agree that the funding values for 2025/26 be set in line with the principles outlined in the report; All **AGREED**.
- h.** Note the delegation of final decisions on the values to the Executive Director of Children's Services, in consultation with the lead member for Children's Services once final funding becomes known in December 2024, in order to enable the required Cabinet report to be prepared and submitted to the 14 January 2025 meeting, and the submission of the necessary return to the ESFA by 22 January 2025. All **AGREED**.
- i.** Receive a further report to the Schools Forum meeting on 15 January 2025 on the outcome of the consultation with schools and final funding values to be used for 2025/26. All **AGREED**.

08. 2025 WORK PROGRAMME AND MEETING DATES

- 08.1** B Parvin ran through the upcoming meeting dates for the next Schools' Forum and High Needs Committees. The reports was attached to the agenda as Agenda item 9.

The Forum were informed that a correction was to be made for the High Needs Committee taking place on Wednesday 03 February 2025, the date should be Wednesday 05 February 2025.

RESOLVED that the report be noted.

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9. DATE OF NEXT MEETING

RESOLVED that the next scheduled meeting of the Schools' Forum will be Wednesday, 15 January 2025.

CHAIR_____

DATE_____

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Public Accounts Committee

Support for children and young people with special educational needs

First Report of Session 2024–25

HC 353

Public Accounts Committee

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Publication

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Contacts

All correspondence should be addressed to the Clerk of the Public Accounts Committee, House of Commons, London SW1A 0AA. The telephone number for general enquiries is 020 7219 8480 (strictly media enquiries only – contact us via our email for general enquiries); the Committee's email address is pubaccom@parliament.uk. You can follow the Committee on X (formerly Twitter) using @CommonsPAC.

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Summary

The system to support children and young people with special educational needs (SEN) in England is reaching, or, arguably, has already reached, crisis point. Despite a 58% increase in the Department for Education's (the Department) high needs funding over the last decade, funding has not kept pace with demand following a 140% increase in the number of children with education, health and care (EHC) plans. Outcomes for children have not improved which inevitably undermines parents' confidence in the system. Too many families struggle to get the help their children desperately need, with long waiting times for assessments and support, and tribunal cases rising. In 2023, only half of EHC plans were issued within the statutory 20-week period. Whether children receive support depends too much on their postcode, or how well their parents can navigate an often chaotic and adversarial system: only 2.5% of local authority decisions on EHCs were appealed at a tribunal in 2023. Of these, however, the tribunals found partly or wholly in favour of parents and carers in 98% of cases - a staggering statistic which undermines families' confidence in the system. Without urgent action, the Department risks a lost generation of children leaving school without receiving the help they need.

As well as not delivering outcomes, the SEN system is unaffordable, placing a significant strain on local authorities' finances. Most worryingly, government does not know how it will address immediate financial challenges faced by local authorities where, for many years, local authority spending has outstripped departmental high-needs funding, leading to substantial deficits. Local authorities now face the prospect of these deficits, which could total £4.6 billion, hitting their books in March 2026 and impacting their wider finances and potentially causing nearly half of English local authorities to be at risk of effectively going bankrupt. Looking ahead, the gap between high-needs annual funding and forecast costs looks set to rise further, with an estimated £3.4 billion mismatch in 2027-28. The Department's current financial support programmes will have no discernible impact on these longer-term challenges nor support local authorities in managing their financial position.

The Department will be unable to make the fundamental reforms needed without a clear, costed plan to measure progress, which it is lacking. To do this it needs a clear vision of what an inclusive education would look like, better data to target funding, and to deliver a system where all those with critical roles work together. This includes the Department for Health and Social Care, who must play their part in reducing long waits for support. With more than 40,000 children waiting over 12 weeks for speech and language therapy alone as at June 2024, timely access to health expertise constitutes a significant barrier in a struggling system.

Introduction

In January 2024, 1.9 million children and young people aged 0 to 25 years had special educational needs (SEN). Children with SEN have a learning difficulty or disability which means they need special educational provision beyond that required by most others of the same age. Most (1.14 million) receive additional support in state schools, known as SEN support. Children whose needs cannot be met in this way have a legally enforceable entitlement to specific support set out in an education, health and care (EHC) plan. In January 2024, there were 576,000 children with an EHC plan.

The Department for Education (the Department) is accountable for the SEN system. In 2024–25, it is providing dedicated high needs funding of £10.7 billion to local authorities, who have a statutory responsibility to ensure children receive the education support they need. The Department for Health and Social Care (DHSC) oversees health services which support the SEN system. In March 2023, the Department and DHSC jointly published an improvement plan setting out how they would tackle immediate challenges, as well as longer term plans. The Department continues to implement initiatives set out in the plan but, as it was published by the previous government, it no longer represents official government policy.

Conclusions and recommendations

- 1. The SEN system is inconsistent, inequitable and not delivering in line with expectations, which inevitably undermines parents' confidence in it.** The Department considers parental confidence to be a key indicator of a "good" system effectively supporting children with SEN. However, parents will lack confidence in a system which is currently not delivering. With only half of EHC plans issued within the statutory 20-week limit in 2023, children are waiting too long for support: in 2023, local authorities issued anywhere from 1% to 100% on time. Equally, parents are appealing more SEN decisions, with an increase in the number appealed, from 6,000 in 2018 to 15,600 in 2023. Of these, 98% of decisions found in favour of parents, contributing to low confidence, and which the Department recognises as indicative of poor value for money. The Department needs to learn from tribunal decisions, and whether the tribunal process favours those parents better able to navigate the system. The Department acknowledges the tribunal system could create inequalities, as do the huge local variations in the timeliness of EHC plans and local authorities interpreting SEN needs differently. The proportion of children with EHC plans differs across local authorities. In 2023/24, this varied from 2.7% (Nottinghamshire) to 7.5% (London Borough of Tower Hamlets) for children aged 5 to 15 years.

RECOMMENDATION

Over the next 12 months, the Department should work with others including local authorities and the Ministry of Justice to:

- a.** better understand the reasons for differences in identifying and supporting SEN needs across local areas and schools;
- b.** routinely identify and share good practice from better performing areas; and
- c.** improve local authority decision-making by analysing tribunal decisions.

- 2. Without fully understanding why demand for support has increased, the Department's ability to provide value for money is undermined.** Over the last decade, demand for EHC plans has soared. In January 2024, there were

576,000 children with EHC plans, a 140% increase since 2015. A further 1.14 million were receiving SEN support in schools, up by 14% since 2015. This encompasses large increases in certain needs, including autistic spectrum disorders, but the Department could do more to better understand the reasons behind increasing demand. The Department considers that identifying and supporting SEN needs earlier could reduce demand and be more cost effective. It also plans to provide support to cohorts of pupils in the areas of fastest-rising demand, making funding less dependent on agreeing individual plans. The Department has not yet explained how it will evaluate the cost-effectiveness of special schools but has started to compare outcomes for children with similar needs in state special and mainstream schools.

RECOMMENDATION

Within the next six months, the Department must work with the DHSC to better understand the reasons for increasing and changed demand for SEN support, and then set out how it will provide support more efficiently, such as through group support, identifying needs earlier and ensuring special schools reflect value for money.

3. The Department has not made clear what it means by inclusive education, a core strand of its approach, or how it will be achieved.

A core aim of the Children and Families Act 2014 was supporting children with SEN in more inclusive mainstream schools, but the Department has made little discernible progress. It has not defined or set out what inclusive education should look like, or provided specific funding for inclusivity, despite this being at the heart of its approach. There are few incentives for schools to be inclusive, with performance data focussing only on academic attainment and no separate judgement by Ofsted on SEN. Schools can often feel that others are not accepting their share of children with SEN. Local authorities have limited influence over academies to affect these decisions. This is also an issue in regard to selective education settings (e.g. grammar schools) found in parts of England. The Department acknowledges that it has not looked hard enough at barriers to inclusivity. It suggests that the ongoing curriculum review and proposed changes to Ofsted inspections provide an opportunity. In June 2023, only 56% of teachers felt confident to support children with additional needs, and the Department has several initiatives underway to improve training. It is also funding training for additional educational psychologists to provide both more support within schools and undertake assessments for SEN. The 2014 Act was intended to identify needs earlier, but the Department does not have a defined process or specific funding to achieve this.

RECOMMENDATION

The Department should, within the next six months, set out the provision which children with SEN support should expect. Alongside this, they should set out what inclusive education means and looks like, and the level of resourcing both to ensure the support for children with SEN and the maintenance of educational provision for other children in the same setting. The Department should also set out how inclusive education will be achieved including through earlier identification of SEN, and improved teacher training and continuous development, and how schools will be held to account. SEN performance data should incorporate factors other than academic attainment.

4. **Accessing health expertise presents a significant barrier to identifying and supporting SEN needs.** DHSC plays a critical role in the SEN system. It jointly published with DfE the Code of Practice and 2023 improvement plan and is responsible for overseeing local health service providers. Currently, only 2 out of 32 competing priorities for the National Health Service (NHS) relate to SEN. DHSC recognises it could improve Integrated Care Boards' (ICBs) focus on SEN. Since 2023, it requires each ICB to appoint an executive lead for SEN and recent planning guidance asks ICBs to look at community health services. Despite increasing need, DHSC does not have data to understand current long waiting times for health support, with reports of children waiting years to access children's and adolescents' mental health support (CAMHS). DHSC is still working on a solution - it has committed more funding and aspires to provide more support for speech and language therapy and CAMHS. However, with staffing being considered as part of a wider 10-year plan for NHS recovery, it is unclear when there will be wider progress.

RECOMMENDATION

Within six months, DHSC should set out how ICBs will consider SEN alongside wider priorities; how its longer-term workforce plans will address current and forecast SEN skill shortfalls; and its processes, plans and targets for reducing related waiting lists.

5. **Departmental witnesses could not provide any potential solution to the critical and immediate financial challenges facing many local authorities due to persistent and significant SEN-related overspends.** The impact of these are being deferred under the temporary "statutory override" scheme, which is due to expire in March 2026. This is currently expected to cause nearly half of all English local authorities to be at risk of effectively going bankrupt. With increasing demand for EHC plans, most local authorities have overspent their annual high-needs budget each year since 2016-17. This has contributed to growing cumulative deficits for many

local authorities within their dedicated schools grant budgets, with others using reserves to cover SEN costs. Since 2020, local authorities have been able to exclude these deficits from their main revenue budgets, so avoiding these overspends impacting their overall financial position. However, this only hides the deteriorating financial situation. When this arrangement ends in March 2026, 66 local authorities (43%) could be at risk of breaching their statutory duty to set a balanced budget, and so would be effectively bankrupt. Despite the obvious urgency, there is no solution in place to what will be an estimated £4.6 billion cumulative deficit. The Department is discussing the issue with the Ministry for Housing, Communities and Local Government (MHCLG) and HM Treasury, but says the issue is complicated given local authorities' differing financial situations. There is a real risk of unfairness in the treatment of local authorities given some have accrued SEN-related deficits and others have avoided doing so. Left unresolved the issue risks undermining the whole of local government finance.

RECOMMENDATION

Given the risks to local authorities' finances, central government must urgently involve local authorities in conversations to develop a fair and appropriate solution for when the statutory override ends in March 2026, clearly setting out these plans as a matter of urgency and no later than March 2025.

- 6. In the longer term, the SEN system remains unviable with piecemeal interventions, such as Safety Valve, doing nothing to provide a financially sustainable system.** Based on the Department's current forecasts on the need for SEN support, the annual gap between funding and forecast costs across local authorities will grow to between £2.9 billion and £3.9 billion in 2027–28. Since 2021, the Department has introduced the 'Safety Valve' and 'Delivering Better Value' financial support programmes for those local authorities with the worst deficits. However, these do not include all local authorities and will not deliver enough savings, merely acting as a short-term sticking plaster. The Department argues that the situation would be worse without these programmes but also recognises that more needs to be done. Due to a state sector capacity being unable to meet rising demand, local authorities are spending more on costlier independent school placements for children with EHCs - £2 billion in 2022 (46% more than 2018–19) - although the Department wants to rely less on these settings. Home to school transport for children with SEN has seen a 77% real terms cost increase since 2015. The Department needs more granular data so it can work with local authorities to better manage these pressures.

RECOMMENDATION

Moving on from its 'Safety Valve' programme, the Department must provide specific support and guidance so all local authorities can effectively manage their SEN-related spending sustainably in the longer term. To ensure investment allocation decisions maximise value for money, demand forecasting is vital. This joint work by the Department and local authorities should include differentiating between the number of places to be provided in mainstream and specialist state settings. It should also ensure that any spending on independent schools and transport costs reflects value for money. The Department should work with local authorities to identify ways in which more accountable provision could be developed offering better value for money.

7. **The Department's ability to reform the system is hindered by a lack of data, targets and a clear, costed plan.** The Department accepts the need for major change, but lacks a clear, costed plan to push forward reforms and measure progress. Despite taking years to develop a plan to address recognised challenges, the Department recognises it needs to be much clearer on what it needs to achieve, how and when, through a costed plan with interdependencies and metrics for progress and benefits. In setting out metrics, the Department conceded it needs to further develop how it will look beyond educational attainment to understand if the system is working, such as by considering attendance which may indicate children feeling supported. The Department has a long way to go to build data across a range of areas, such as on SEN mainstream schools places, home to school transport and whole system costs. It continues to test dashboards across 32 local authorities, but it is unclear how these data will be used and when.

RECOMMENDATION

The Department should urgently improve its data, and then use this information to develop a new fully costed plan for improving the SEN system, with concrete actions, and clear interdependencies, alongside metrics to measure outcomes.

1 Support for children and their families

Introduction

1. On the basis of a report by the Comptroller and Auditor General, we took evidence from the Department for Education (the Department), and the Department for Health and Social Care (DHSC) on support for children and young people with special educational needs in England.¹
2. The NAO estimates that around 1.9 million children and young people aged 0 to 25 years were identified as having special educational needs (SEN) in January 2024 with 1.7 million at school. A child or young person with SEN has a learning difficulty or disability which means they need special educational provision beyond that required by most others of the same age. Support should reflect individual needs and could be within mainstream school, specialist or alternative settings.²
3. There are two categories of support, which broadly reflect the level of need. Most children (1.14 million) receive additional support at mainstream schools, known as SEN support. Children whose needs cannot be met in this way have a legally enforceable entitlement to specific support set out in an education, health and care (EHC) plan. In January 2024, there were 576,000 children with an EHC plan.³
4. The Department is accountable for the SEN system and securing value for money from the funding it provides, through local authorities, to schools and other education settings. In 2024–25, it is providing dedicated high needs funding of £10.7 billion to local authorities who, working with national and local bodies, have a statutory responsibility to ensure children receive the support they need in education settings. Health services have a responsibility to provide, when clinically required, medical assessments, routine health checks, and healthcare.⁴

1 C&AG's Report, [Support for children and young people with special educational needs](#), Session 2024–25, HC 299, 24 October 2024

2 C&AG's Report, para 1

3 C&AG's Report, para 2

4 C&AG's Report, para 3

5. Through the Children and Families Act 2014, government aimed to introduce significant changes to the SEN system, for: children's needs to be identified earlier; families to be more involved; mainstream schools to be inclusive; support services better integrated; and appropriate support to remain up to age 25.⁵ In 2020, our predecessor Committee concluded that many school-age children in England with SEN were not getting the support that they need. The Committee were unconvinced that the Department had a sufficient grip on what needed to be done to tackle growing pressures on the system.⁶ In March 2022, the Department published a review, launched in September 2019 that found “vicious cycles” of worsening performance and a lack of confidence in the system.⁷
6. In March 2023, the Department and DHSC jointly published an improvement plan setting out how they would tackle immediate challenges, as well as longer term plans. The Department continues to implement initiatives set out in the plan but, as it was published by the previous government, it no longer represents official government policy.⁸
7. We also received a very high number of written submissions from stakeholders, including many from individual parents and carers.⁹ Particular concerns drawn to our attention included:
- a. the quality of support provided, and the “postcode” lottery in support offered across different local authorities.
 - b. the personal impact on families struggling to get their children support, or a school place.
 - c. the need to strengthen accountability and ensure local areas meet their statutory duties.
 - d. the impact of financial pressures, and what the Safety Valve programme means for the provision of support.
 - e. the need to intervene earlier and improve the inclusivity of mainstream schools.
 - f. the need for better integrated health, education and social care.
 - g. the need to address specialist workforce shortages and improve skills.
 - h. the failure to create a seamless and supportive system throughout the whole 0 to 25 age range.

5 C&AG's Report, para 4

6 Committee of Public Accounts, [Support for children with special educational needs and disabilities](#), First Report of Session 2019–21, HC 85, May 2020

7 C&AG's Report, para 5

8 C&AG's Report, para 5

9 Committee of Public Accounts, [Support for children and young people with special educational needs - Written evidence](#)

Delivering outcomes and meeting expectations

8. The Department acknowledged that the SEN system is not working well enough and said it wanted to change the system.¹⁰ There has been no consistent improvement in outcomes for children and young people since 2019. In 2021/22 69% of young people with SEN at key stage 4 were in sustained education, employment or apprenticeship after leaving 16 to 18 study, compared to 85% of those without, similar to 2018/19.¹¹ Although this reflects its ultimate ambition, the Department could not specify how many young people with SEN should enter sustained employment or education for the system to be operating well. It agreed that there was still a lot more needed to reduce the gap between those with SEN and those without.¹² The Department described how it would need to focus on earlier interventions, with the SEN code of practice requiring local authorities to prepare young people to transition from school.¹³ In terms of educational attainment, the Department explained how outcomes had not yet recovered from a dip during the COVID pandemic but pointed to some improvement over the last 10 years.¹⁴ The Department also described considering wider outcomes, including wellbeing and readiness for employment, to assess if the system worked.¹⁵
9. The Department described how parental confidence provided a core indicator of an effective SEN system but that, with a third of parents having children with SEN in the state system feeling their child did not get necessary support, the system was “nowhere near good enough”.¹⁶ Families lack confidence in a system where it does not meet expectations. The proportion of EHC plans issued within the statutory 20-week target was 50% in 2023, down from around 60% in the period 2018 to 2021.¹⁷ The Department attributed lengthening waiting times to increasing demand for EHC plans, which it described as “rational” given that less support is available for those without a plan, creating a “vicious cycle” of demand. It aimed to reduce the waiting times before children received SEN support by ensuring that this support did not necessarily depend on children going through the assessment process to get an individualised EHC plan.¹⁸

10 Q 2

11 C&AG's Report, paras 7 and 1.6, Figure 1

12 Q 8

13 Q 4

14 Q 3

15 Q 2

16 Qq 3, 62

17 C&AG's Report, para 8, Figure 7

18 Q 10

10. Parents are also increasingly appealing EHC plan decisions with the proportion being taken to a tribunal, parents' final recourse for complaints, increasing from 1.6% in 2018 to 2.5% in 2023. The number of decisions appealed increased from 6,000 in 2018 to 15,600 in 2023. Nearly all (98%) were decided in favour of families, which the Department explained by decisions being recorded in their favour should they win on any aspect.¹⁹ With one in 40 cases going to tribunal, the Department confirmed the SEN system was not operating sensibly and did not represent value for money. Annex shows the number of decisions taken to tribunal in individual local authority areas for 2023. The Department agreed that it could learn lessons from the tribunals process, and described how it was working with local authorities and the Ministry of Justice to reduce the adversarial nature of the system.²⁰
11. We pressed the Department on how children's experiences varied across several aspects of the system. For example, the Department recognised a risk the tribunal system inherently favoured those with the means and knowledge to appeal, particularly given the significant and substantial processes involved to get a good outcome.²¹ We also challenged the Department on differences between local authorities' timeliness in issuing EHC plans, varying in 2023 from 1% to 100% being issued within the statutory 20 weeks (Annex shows performance across individual local authorities for 2023).²² The Department described how families in neighbouring local authorities experienced differing EHC plan waiting times, with 71.5% of EHC plans written on time in Lambeth and 19.2% in Southwark.²³ We also challenged on differences in the proportion of children with EHC plans where, for 2023/24, this varied from 2.7% (Nottinghamshire) to 7.5% (London Borough of Tower Hamlets) for children aged 5 to 15 (Annex shows data by individual local authority, at January 2024).²⁴
12. The Department told us that the single biggest factor in whether a child gets an EHC plan is the school they attend, and that some schools seek plans more than others.²⁵ It partly attributed this to the definition of SEN being a relative judgement comparing a child's need and the provision available within local schools. Local authorities differ in the support offered in mainstream schools - for example 73% of pupils in Richmond Park with EHC plans are in mainstream settings, whereas in Burnley it is 45%. The Department believed greater consistency would be possible through

19 Q 30; C&AG's Report, para 2.5

20 Qq 30-32

21 Q 31

22 C&AG's Report, para 2.3

23 Q 10

24 C&AG's Report, para 2.4

25 Q 51

improving the support offered.²⁶ It recognised it could better share good practice, which it had been doing through its regional teams and change programme involving 32 local authorities across nine English regions.²⁷ In further evidence provided after our session, the Department added that it funds a ‘What Works in SEND’ programme that produces academic primary research and case studies that harness best practice. It is also developing ‘Insight Guides’ to share learning from its change programme.²⁸

Understanding and responding to demand

- 13.** Since 2015, the number of children with EHC plans has increased each year. In 2024, 576,000 children aged 0 to 25 years had an EHC plan, 140% more than in January 2015.²⁹ Within state schools, pupils with SEN support rose by 14% to 1.14 million. Increases across certain identified primary needs have significantly contributed to growing demand.³⁰ The Department confirmed that demand was growing fastest across three areas: autism spectrum disorder (ASD); speech, language and communication needs; and social, emotional and mental health.³¹ The Department said all three categories were broad, ranging from developmental needs requiring short-term interventions to more intrinsic needs requiring lifelong support.³² It described how some of these trends mirrored other countries, citing a 2023 meta-study showing, across 29 countries, prevalence of ASD consistently increasing from about 0.25% during the period from 1994 to 1999, towards 0.99% over 2015 to 2019 - other trends, however, are only seen in the UK. It speculated this could be due to the challenges meeting needs in mainstream settings leading to people seeking plans.³³ DHSC also described a changing understanding of conditions in society, with an increase in people coming forward for diagnosis and, in some cases, shifting diagnostic criteria.³⁴ The factors influencing rapid increases in SEN can be hard to quantify which creates a risk that the Department’s response is neither targeted most effectively, nor addressing the underlying social, educational or medical causes.³⁵

26 Qq 14, 17–18

27 Q 12,

28 Qq 42, 45; Letter from the Department for Education to the Chair of the Committee, 2 December 2024.

29 Not all children and young people with a qualifying diagnosis will necessarily have an EHC plan. Further, not everyone aged 0–25 years with a condition, or conditions, that could mean they would have an EHC plan will have that condition(s) diagnosed.

30 C&AG’s Report para 2.17–2.19

31 Qq 10, 13

32 Q 17

33 Q 13

34 Qq 9

35 C&AG’s Report para 16

14. The Department told us that earlier good-quality support could help identify needs more easily and reduce demand, with fewer children going through the EHC plan process and “sat in a queue” for support.³⁶ The Department does not have a defined process or specific funding to identify and support needs earlier.³⁷ It described how less funding would be available given resources are directed towards those with EHC plans.³⁸ Given the increases in demand, the Department told us it would like to move to a model where schools provide support to cohorts of pupils within and throughout the school system, focussing on more frequently identified needs, such as speech and language or ASD. This would mean children no longer relying on an individualised plan for support. The Department said many of the teachers it spoke to support this approach.³⁹ It outlined three programmes currently providing support at an earlier stage. Programmes have had some success, with one seeing some language and oral skills improvements across four- to five-year-olds. Also, the Department expects to upskill staff in around 10% of primary schools by March 2025 through strengthened training resources, with the programme continuing after this date.⁴⁰
15. In 2023, the Department estimated that national demand for state special school places exceeded capacity by at least 4,000 pupils, with 63% of schools over-capacity and supporting 9,500 extra pupils.⁴¹ Departmental evidence shows students in overcrowded settings have lower attainment and are not as well supported in transitioning between settings and preparing for adulthood.⁴² The Department told us it had started using information collected over the last two years to identify the largest capacity gaps and allocate funding.⁴³ The Department said it had invested over £3 billion in high-needs capacity funding since 2018–19, with over £2.4 billion spent since 2022–23. Local authorities have flexibility over the type of provision they fund, and the Department’s data indicated this had created around 50,000 special school places.⁴⁴
16. The Department stressed improving mainstream as a core focus for Ministers, with 42% of those with an EHC plan currently supported in mainstream settings. However, it wanted to ensure the right balance between mainstream and specialist provision for those who need it.⁴⁵ The

36 Q 10

37 C&AG’s Report, para 16

38 Qq 10, 31, 50

39 Qq 10, 50–51

40 Q 18

41 C&AG’s Report, para 10

42 Q 23

43 Q 14

44 Qq 23, 77

45 Qq 23–25

Department has started to compare outcomes for children with similar needs in state special and mainstream schools, but acknowledges this analysis has limitations.⁴⁶

Establishing inclusive mainstream schools

- 17.** The Children and Families Act 2014 introduced major reforms which included mainstream schools being more inclusive. However, there is limited evidence of progress, despite the Department confirming that inclusivity remained at the heart of its approach so children with SEN could spend time both in mainstream classrooms and receiving wider support.⁴⁷ The Department recognised it needed to develop its thinking on what excellent inclusive mainstream education should look like and will consider how to measure success. It cited Education Endowment Foundation work as providing evidence for on the elements of a good inclusive school with this including the ethos of a school, a supportive environment for all, and high-quality teaching.⁴⁸ The Department also noted the importance of teaching assistants, recognising that it needs to look at how to use them most effectively.⁴⁹
- 18.** We challenged the Department on how it planned to boost the skills and capacity of teachers, with only 56% of mainstream school teachers in June 2023 saying they felt confident to support the needs of SEN children.⁵⁰ The Department told us that it is: revising teacher training content to include more on supporting pupils with SEN; offering relevant continuing professional development which had been well taken up; and introducing a 18-month professional leadership qualification for SEN Coordinators (SENCOs). All SENCOs must complete training within three years, with the first cohort starting in autumn. The Department also highlighted additional funding to train up to 600 more educational psychologists (employed by local government), to help reduce workload pressures and allow more time to be spent supporting children.⁵¹
- 19.** The Department noted that most schools feel others are not taking their share of SEN children.⁵² With Ofsted not having a separate judgement on SEN provision within its published reports, no specific school funding focused on inclusivity and school performance data focused on academic

46 C&AG's Report, para 2.25

47 Qq 21, 24: C&AG's Report paras 15 and 1.3

48 Q 26, 28–29

49 Q 26

50 C&AG's Report para 2.13

51 Qq 11, 27, 49–50

52 Q 50

attainment, schools are not incentivised to be inclusive.⁵³ The Department acknowledged that the 2023 improvement plan did not look hard enough at the barriers and levers to encouraging inclusivity.⁵⁴ It described looking at how Ofsted could incentivise inclusivity and promote good practice, which it felt could be improved as some schools offered excellent inclusive provision.⁵⁵ We asked the Department about local authorities' powers to require academy trusts to accept SEN children. It told us local authorities can apply to the Secretary of State to direct an academy to take a child, and that it is looking at local authorities' admissions role and powers through the Children's Wellbeing Bill announced in the King's Speech 2024.⁵⁶

20. We pressed the Department on how it would ensure high quality SEN support was consistently provided across mainstream schools. It explained how the current Curriculum and Assessment review would consider accessibility of the curriculum for children with SEN, who too often feel it has not worked for them. Also, the Department agreed to keep its new school building designs under review to, for example, create more small group workspaces.⁵⁷ On 4 December, the Minister for Early Education announced a £740 million capital investment in 2025–26 which could be used to adapt classrooms to be more accessible for children with SEN, create specialist facilities within mainstream schools, or provide more special schools places for pupils with the most complex needs.⁵⁸

Accessing health support

21. Within the SEN system, health organisations have a critical role undertaking assessments to identify SEN needs and then providing relevant healthcare support. DHSC, which oversees local health providers, jointly published with the Department the statutory code of practice and then, in March 2023, the improvement plan setting out actions to address recognised challenges across the system.⁵⁹
22. DHSC told us that meeting children's health needs remained challenging across the SEN system, acknowledging significant waits for children's and adolescents' mental health support (CAMHS) across the country. It described struggling to manage steep rises in demand, particularly relating to autism, speech and language, and mental health needs.⁶⁰ For those

53 C&AG's Report para 15

54 Q 78

55 Qq 21, 26, 58

56 Qq 57–58

57 Qq 21, 26, 28–29

58 High Needs and Capital Funding written statement, 4 December 2024 [Written statements - Written questions, answers and statements - UK Parliament](#)

59 C&AG's Report paras 1.7, 2.37 and Figure 2

60 Qq 10, 71

state school pupils with EHC plans, 86% of the increase from 2018/19 to 2023/24 related to autism spectrum disorders, where the number of EHC plans increased 40%; speech, language and communication needs, where EHC plans went up 27%; and social, emotional and mental health needs, with a 16%.⁶¹ This will impact the specialist support required and we heard, for example, how some children were waiting up to four years for ADHD assessments in Bradford.⁶² DHSC described having produced a national framework and operational guidance in 2023 for autism, but recognised there was still a great deal to do.⁶³

- 23.** We pressed DHSC on how it would bring down CAMHS waiting times. DHSC told us that it was focusing on high priority needs, with 130,000 children seen for the first time in the last three months and a median wait time of 20 days. However, DHSC acknowledged a further 300,000 children on the waiting list having waited much longer.⁶⁴ Its latest data, for September 2024, show 352,682 referrals for children and young people waiting for a first contact with NHS funded mental health services. The median wait time for this group was over 34 weeks, with 10% of referrals waiting over 114 weeks.⁶⁵ DHSC said it had significantly invested, and referred to mental health spending increasing from £11 billion to over £17 billion as it tried to enhance existing services and work out what future services should look like. DHSC told us that there had been a 40% increase in the number of mental health staff and described how it had been working to put more mental health services in schools, with 500 schools-based mental health teams now covering about 40% of the school population.⁶⁶ DHSC's existing long-term workforce plan aims to significantly increase the NHS workforce, including community health services, but DHSC said there were plans to look again at staffing as part of its 10-year plan for the recovery of the NHS. DHSC acknowledged it would probably take time to see a full recovery, although it was trying to see immediate progress.⁶⁷

- 24.** Waiting lists for speech and language therapy are significant, with more than 40,000 children waiting for more than 12 weeks as at June 2024.⁶⁸ DHSC described making progress increasing the number of speech and language therapists which now stood at 7,419, 20% more than 2019, and

61 C&AG's Report para 2.19 and Figure 9

62 Q 71

63 Q9

64 Q71

65 Letter dated 2 December 2024 from DHSC to Committee

66 Qq 10,71

67 Qq 10, 69

68 C&AG's Report para 2.10

working with the Department to provide earlier specialist support in schools. However, it recognised there was more to do with an aspiration for more speech and language therapists.⁶⁹

25. DHSC told us that, while its data on community health services and mental health provision had improved over the last five to six years, that remained poor compared to hospital data, particularly for ADHD assessments where waiting lists were especially challenging.⁷⁰ DHSC subsequently provided details on the data it collects, including on waiting times.⁷¹ It described working with the NHS and National Institute for Health and Care Research to improve data and with NHS Benchmarking, statisticians within the NHS, specifically on improving community health service data.⁷²
26. DHSC told us it was working to make sure that each National Health Service Integrated Care Board (ICB), which brings together health organisations to deliver shared priorities locally, focuses on SEN. Currently only 2 out of 32 competing priorities for the NHS relate to SEN. DHSC said that in 2023 it focused on every ICB appointing an executive director responsible for SEN to better work alongside local authorities and the education system. It also described how planning guidance last year asked ICBs to look at community health services, including SEN support. It hoped these changes would lead ICB's to focus on community and mental health services for children across all their plans.⁷³

69 Q 79–80

70 Qq 7, 10, 15

71 Letter dated 2 December 2024 from DHSC to the Committee

72 Qq 7, 15

73 Qq 69–71, C&AG's Report para 17

2 Financial sustainability and reforming the system

Local authorities' immediate financial challenges

27. Alongside core funding, the Department provides specific high-needs funding to local authorities to support children with SEN.⁷⁴ Over the period 2014–15 to 2024–25, high-needs funding increased by 58% in real terms to £10.7 billion, but an increase in EHC plans meant that funding per plan fell by 35%. Each year since 2016–17, most local authorities have spent more than their annual high-needs funding, with 101 local authorities (66% of those submitting returns) reporting they had done so in 2022/23. This has contributed to growing dedicated schools grant (DSG) deficits for many local authorities, which the Department estimates will reach £3.2 billion in March 2025.⁷⁵
28. The Department explained that since 2020, local authorities could account for DSG deficits separately, meaning they do not impact their overall financial position.⁷⁶ The Ministry of Housing, Communities and Local Government (MHCLG) introduced this accounting treatment, known as the “statutory override”, to help those local authorities in deficit deal with what the Department described as short-term pressures. The Department described how it had felt the challenges to be relatively localised and short-term whilst reforms were bedding in, but that was no longer the case. In 2022, government extended the statutory override, which the Department agreed was unusual, but felt necessary given the continued growth in pressures on local authorities.⁷⁷
29. We asked the Department what would happen when the statutory override ends in March 2026. If local authorities cannot balance their books, or have enough reserves to finance their day- to-day spending, they must issue a section 114 notice, triggering intervention by central government.⁷⁸ Some

74 C&AG's Report, para 1.9

75 C&AG's Report, paras 11, 2.30

76 Q36: C&AG's report, para 2.31

77 Q 36

78 C&AG's Report, para 2.29

66 (43%) of local authorities risk issuing a section 114 notice in March 2026, effectively declaring bankruptcy, and potentially impacting other services. The Department confirmed it was working closely with HM Treasury and MHCLG to consider solutions, and how it would manage the impact of the deficits on local government finances, but it could not say what the outcome would be. It assured us it would not wait until 2026 to decide on what will happen once the statutory override ends, since the sooner local authorities know the better, so they can plan.⁷⁹ The Department confirmed it would expect to report back to this Committee once a solution was agreed.⁸⁰ The Department has estimated that the cumulative deficit will be between £4.3 billion and £4.9 billion, but told us it believed this would be worse without its ongoing financial support work with the worst-affected local authorities.⁸¹

30. We pressed the Department on how it would ensure any solution to the statutory override would be fair to all local authorities. The Department recognised this challenge, with those local authorities in deficit having received differing support through financial intervention programmes, whilst it would not want to penalise those local authorities who had managed their budgets including some using their reserves to do so. For this reason, the Department described this as not straightforward and required some careful thinking, working with HM Treasury and MHCLG, to find the right solution.⁸²

Longer-term financial viability

31. Looking beyond the statutory override, the Department estimates continuing longer term financial challenges with forecast costs exceeding current funding, maintained in real terms, by between £2.9 billion and £3.9 billion in 2027–28 alone.⁸³ It has introduced programmes to help address financial challenges for those local authorities under most pressure, but local authorities still forecast significant deficits. The 97 local authorities participating in DfE's Safety Valve or Delivering Better Value programmes, forecast cumulative deficits totalling an estimated £9.1 billion in 2028–29, taking account of savings realised through these programmes.⁸⁴ The Department recognised that, putting it all together, it needed to take a fundamental look at the system from end-to-end as the system does not give local authorities many levers, particularly when considering cost.⁸⁵

79 Qq 37, 40–43, 81–82

80 Q 39

81 Q 36: C&AG's Report, para 2.35

82 Qq 36, 38, 40, 81–82

83 C&AG's Report, para 11

84 C&AG's Report para 2.34, Figure 13

85 Qq 1, 78, 85

32. In 2021, the Department introduced the ‘Safety Valve’ programme to support local authorities with the highest deficits. In exchange for funding, local authorities agree how they will reduce the deficit through savings and delivering SEN services differently, particularly with earlier intervention. The Department explained that over £750 million of the £1.2 billion programme budget had been spent. It stressed that the Safety Valve programme did not aim to reduce the number of EHC plans, rather meet people’s needs more quickly to help local authorities better manage their budgets.⁸⁶ In 2022, the Department launched the ‘Delivering Better Value’ programme, which works similarly, for local authorities with slightly lower deficits and no Safety Valve agreement. It involves a smaller amount of funding.⁸⁷ The Department cited examples of good practice from Oldham and Blackpool, where changes to how SEN services are provided have led to lower deficits and improved parent confidence. The Department also wrote to us and told us that it encourages local authorities within the Safety Valve programme to learn from each other, that it has commissioned a qualitative evaluation study due to report in summer 2025, and that it has published an insights report on Delivering Better Value.⁸⁸

33. We pressed the Department on its rationale for allocating financial support to local authorities based on deficits rather than SEN needs. The Department described that although funding was only available to those in deficit it was applying learning, such as intervening earlier, more widely. It recently encouraged local authorities to apply lessons from the Safety Valve and Delivering Better Value programmes in spending the extra £1 billion high-needs funding announced for 2025–26. The Department believes local authorities’ financial situation would be worse without the two interventions, as deficits have started to come down for those with agreements. However, it accepted that using the funding efficiently and effectively as a whole system continued to be challenging.⁸⁹ On 4 December, the Minister for Early Education confirmed the Department would not enter any more Safety Valve agreements pending wider reform of the system, whilst continuing to work with those having pre-existing agreements.⁹⁰

34. We challenged the Department on the value for money of local authority spending on independent schools to provide for children with an EHC plan. This totalled £2 billion in 2022–23, a 46% real-terms increase since 2018–19, with a 17,000 (87%) rise in children with EHC plans at independent

86 Qq 42, 45

87 Q 42; C&AG’s Report, para 14

88 Qq 42, 45; Letter from the Department for Education to the Chair of the Committee, 2 December 2024.

89 Qq 36, 43–44, 72, 83–84

90 High Needs and Capital Funding Statement, 4 December 2024, [Written statements - Written questions, answers and statements - UK Parliament](#)

schools.⁹¹ The Department said it remained committed to reducing the current high reliance on the independent sector, with it being more cost effective to support a child in mainstream school.⁹² It costs £61,500 a year per pupil to support children with an EHC plan in an independent school, compared to £23,900 for special schools and £19,100 in mainstream secondary.⁹³ However, the Department recognised some needs will always need to be met in a specialist setting, with independent schools having a role to play. The Department told us it sees a lot of variation in how well needs are met in mainstream schools and local authorities use of different settings. It has started work looking at costs and tariffs, and recognised there is more to do to ensure that independent provision represents good value for money.⁹⁴

35. We asked the Department about pressures on local authorities' wider budgets from the increased costs of home-to-school transport, which is not covered by high-needs funding. The Department stressed this was an important element of the SEN system, and highlighted a 77% increase since 2015 (from £0.6 billion to £1.3 billion) in home-to-school transport budgets for those with SEN. The Department noted that the main driver for increased costs was more children travelling further to their school or other settings. It told us it has worked with local authorities to understand the pressures, including through meeting transport and SEN teams, and is looking to gather better data, for example on types of school transport. The Department said that greater use of taxis and individual transport is more expensive, and more thinking is needed on how transport is organised. It felt that the best way to reduce transport cost in the longer term was making sure children's needs are met in their local communities.⁹⁵

Delivering system reforms

36. In March 2023, after launching a major review of the SEN system following recognition of challenges in September 2019, the Department and DHSC jointly published their improvement plan which listed 42 commitments to reform the system.⁹⁶ The Department told us it understood the frustration over the time taken to develop the plan. It cited reasons for the slow progress which included: the pandemic response which diverted resources; needing to adapt the plan post-pandemic; and consulting as widely as

91 C&AG's Report, para 10 and 1.12

92 Qq 52, 56

93 C&AG's Report, para 10

94 Qq 47–48, 52–53, 56

95 Q 46

96 C&AG's Report paragraphs 5, 1.17 and Figure 6

possible. The Department said it had continued to work on reforms while the plan was developed, such as teacher training improvements, and it would use what it had learnt in developing a new plan.⁹⁷

37. Drawing from the improvement plan, the Department developed an internal list of 136 aspirations and actions, including the 42 commitments, and Spending Review 2021 interventions. Some elements were specific (such as national standards) but others were framed as broad aspirations.⁹⁸ The Department agreed it needed a much clearer, costed plan detailing what it needs to achieve, how and when. Having a process to track likely outcomes and benefits was fundamental in demonstrating improvements to families.⁹⁹ Nevertheless, the Department accepted it could better track progress and committed to better understanding the costs and interdependencies of measures in its new plan. This had been complicated by shared responsibilities across the system.¹⁰⁰ The Department was not consistently tracking progress implementing its 136 internal aspirations and actions or have clear processes to understand the potential and likely outcomes and benefits.¹⁰¹

38. The Department's underpinning objective for the SEN system is to improve outcomes for children and young people. Improvements in educational attainment have been inconsistent, albeit with some positives.¹⁰² We asked the Department how it would measure outcomes beyond focussing on educational attainment. The Department explained that the SEN code of practice contained expectations, such as children being supported to develop independence, and being prepared for education or employment.¹⁰³ The Department told us that it was challenging to measure wider outcomes consistently as the definition of SEN is broad and covers a range of needs, which vary in severity and can change over time.¹⁰⁴ It described how, to better understand what works well for children with SEN, it would need a range of measures. Alongside educational attainment, these should include children's experience of the system, with attendance one measure indicating how well supported children feel. The Department also described developing more transparent measures, for example on how well services work together, as part of its Change Programme covering 32 local authorities.¹⁰⁵

97 Qq 60, 61, 66

98 C&AG's Report para 1.17

99 Qq 60, 61, 63–64, 65

100 Qq 60, 61, 63–64, 65

101 C&AG's Report, para 13, 1.17, 1.20 and 1.21

102 C&AG's Report para 1.6

103 Q 2

104 Q 5

105 Q15

39. The Department does not have data on a range of issues, such as places available for children with SEN in mainstream schools; different types of school transport; number of schools refusing to admit children; and whole system costs.¹⁰⁶ The Department acknowledged that it could do better with its data to really understand children's experiences.¹⁰⁷ However, radically improved data may not solve the issue given challenges defining SEN.¹⁰⁸ It told us it currently gets data through the school census but continues to develop its overall data strategy to understand the full picture. The Department said it had also invested in a longitudinal study, looking in more detail at children's experiences of the system, and had been working to establish much better data flows from the local authorities to understand different experiences and practices across the country. The Department's ongoing change programme aims to develop and test better dashboards to understand how and why experiences differ and help share good practice.¹⁰⁹
40. We asked the Department how it was improving cross-government working and building a shared understanding of priorities. The Department noted that shared responsibilities across the system made delivering support more complex.¹¹⁰ It agreed that the join-up between health and education was critical and said that representatives from the two departments talked regularly.¹¹¹ The Department told us it had created a new cross-government Portfolio Board, bringing together all the key departments alongside local government representatives. The Department highlighted its plans to draw on wider expertise, including on inclusive practice and in working closely with families. The Department said it had made internal changes, moving its SEN directorate into the schools group, to focus better on integrating SEN support within mainstream education¹¹² DHSC added that it was working to make sure that, at a local level, integrated care boards were focused on better engagement between the local authority and the education system.¹¹³

106 Q 46, 59; Supplementary evidence in correspondence from the Department of Education to the Chair of the Committee, 2 December 2024; C&AG's Report para 9 and 1.8

107 Q6

108 Qq 8, 15–16

109 Qq 6, 7, 15, 16; Supplementary evidence in correspondence from the Department of Education to the Chair of the Committee, 2 December 2024.

110 Q64

111 Q67

112 Q20, 64, 67

113 Q 69–70

Annex: Local authority data

Local authority data showing the percentage of children aged 5 to 15 years with Education and health care (EHC) plans, timeliness of EHC plans, and proportion of EHC plan decisions taken to SEN tribunal

Local Authority	Percentage of children aged 5 to 15 with EHC plans in January 2024 (1)	Percentage of new EHC plans issued within 20 weeks in 2023	Proportion of EHC plan decisions taken to SEND tribunal 2023
Range	2.7% to 7.5%	0.0% to 100.0%	0.2% to 7.0%
Average across England	5.2%	50.3%	2.5%
Barking and Dagenham	4.6%	14.4%	1.3%
Barnet	4.5%	100.0%	3.6%
Barnsley	6.1%	91.7%	1.3%
Bath and North East Somerset	6.6%	39.1%	1.0%
Bedford	4.8%	90.0%	1.1%
Bexley	5.5%	84.8%	1.5%
Birmingham	4.1%	60.5%	4.4%
Blackburn with Darwen	4.2%	91.4%	0.6%
Blackpool	5.4%	85.0%	0.5%
Bolton	5.0%	46.3%	0.6%
Bournemouth, Christchurch and Poole	5.3%	4.8%	2.1%
Bracknell Forest	5.6%	40.3%	2.8%
Bradford	4.9%	71.4%	2.5%
Brent	5.4%	38.1%	1.2%
Brighton and Hove	5.5%	80.5%	2.6%
Bristol, City of	5.4%	57.1%	2.1%
Bromley	5.8%	34.9%	2.7%
Buckinghamshire	5.6%	49.0%	2.6%
Bury	6.7%	74.1%	1.3%

Local Authority	Percentage of children aged 5 to 15 with EHC plans in January 2024 (1)	Percentage of new EHC plans issued within 20 weeks in 2023	Proportion of EHC plan decisions taken to SEND tribunal 2023
Calderdale	5.4%	97.8%	0.7%
Cambridgeshire	5.9%	64.9%	1.6%
Camden	4.7%	96.6%	2.9%
Central Bedfordshire	6.2%	33.4%	2.6%
Cheshire East	6.4%	67.8%	1.9%
Cheshire West and Chester	5.3%	6.5%	1.3%
Cornwall	4.0%	1.6%	2.3%
County Durham	4.7%	1.9%	4.4%
Coventry	4.5%	35.7%	2.6%
Croydon	5.4%	82.5%	1.2%
Cumberland	5.8%	27.1%	1.0%
Darlington	5.2%	83.9%	1.3%
Derby	5.9%	26.8%	1.9%
Derbyshire	4.4%	17.8%	4.0%
Devon	6.7%	4.9%	4.1%
Doncaster	4.4%	43.4%	1.7%
Dorset	6.4%	60.2%	2.6%
Dudley	5.7%	46.6%	2.5%
Ealing	5.5%	83.4%	1.4%
East Riding of Yorkshire	5.8%	98.7%	1.3%
East Sussex	4.7%	87.6%	7.0%
Enfield	6.4%	95.6%	1.1%
Essex	4.6%	0.9%	4.1%
Gateshead	5.2%	86.9%	6.3%
Gloucestershire	5.2%	35.0%	3.9%
Greenwich	4.6%	63.5%	2.4%
Hackney (3)			1.8%
Halton	6.4%	26.3%	1.4%
Hammersmith and Fulham	5.9%	81.0%	1.6%
Hampshire	6.2%	75.4%	3.3%
Haringey	6.0%	97.7%	2.8%
Harrow	4.5%	21.2%	1.0%

Local Authority	Percentage of children aged 5 to 15 with EHC plans in January 2024 (1)	Percentage of new EHC plans issued within 20 weeks in 2023	Proportion of EHC plan decisions taken to SEND tribunal 2023
Hartlepool	4.7%	44.3%	2.4%
Havering	4.8%	94.3%	1.2%
Herefordshire, County of	4.8%	77.1%	1.3%
Hertfordshire	4.7%	40.2%	4.5%
Hillingdon	5.2%	56.5%	1.5%
Hounslow	5.3%	94.0%	1.8%
Isle of Wight	7.0%	0.0%	2.7%
Islington	6.7%	65.9%	4.7%
Kensington and Chelsea	4.0%	98.9%	4.0%
Kent	6.0%	18.0%	3.6%
Kingston upon Hull, City of	5.4%	28.5%	1.5%
Kingston upon Thames	5.5%	47.3%	2.4%
Kirklees	4.4%	13.0%	1.2%
Knowsley	7.0%	46.9%	1.0%
Lambeth	6.8%	71.5%	1.4%
Lancashire	4.8%	80.2%	2.1%
Leeds	3.1%	8.4%	1.8%
Leicester	4.5%	0.0%	1.4%
Leicestershire	4.6%	6.0%	2.9%
Lewisham	6.6%	98.6%	1.3%
Lincolnshire	6.0%	99.5%	1.4%
Liverpool	6.8%	98.8%	3.5%
Luton	5.0%	32.1%	0.7%
Manchester	7.1%	61.6%	0.9%
Medway	5.0%	26.0%	2.7%
Merton	6.4%	67.3%	1.2%
Middlesbrough	6.1%	96.8%	0.6%
Milton Keynes	4.1%	66.1%	2.8%
Newcastle upon Tyne	5.5%	6.5%	0.2%
Newham	4.0%	79.6%	1.9%
Norfolk	6.4%	42.6%	3.2%
North East Lincolnshire	5.6%	38.7%	0.3%
North Lincolnshire	4.5%	30.0%	0.6%

Local Authority	Percentage of children aged 5 to 15 with EHC plans in January 2024 (1)	Percentage of new EHC plans issued within 20 weeks in 2023	Proportion of EHC plan decisions taken to SEND tribunal 2023
North Northamptonshire	5.3%	73.6%	3.4%
North Somerset	5.0%	41.7%	3.4%
North Tyneside	5.7%	78.7%	3.8%
North Yorkshire	4.6%	44.8%	3.5%
Northumberland	6.5%	41.6%	0.5%
Nottingham	3.3%	67.1%	2.1%
Nottinghamshire	2.7%	32.3%	2.2%
Oldham	5.7%	95.0%	1.6%
Oxfordshire	4.8%	53.7%	5.1%
Peterborough	4.4%	82.9%	0.9%
Plymouth	4.9%	17.8%	5.1%
Portsmouth	5.1%	1.6%	1.0%
Reading	5.7%	74.9%	2.9%
Redbridge	4.5%	76.4%	1.3%
Redcar and Cleveland	5.8%	48.4%	1.2%
Richmond upon Thames	4.8%	45.1%	2.4%
Rochdale	5.4%	47.0%	1.0%
Rotherham	6.1%	76.7%	1.5%
Rutland	4.6%	65.7%	2.3%
Salford	5.9%	49.6%	2.2%
Sandwell	4.6%	35.2%	0.7%
Sefton	5.8%	40.4%	1.0%
Sheffield	5.0%	53.1%	5.0%
Shropshire	4.4%	38.3%	0.9%
Slough	4.5%	18.5%	1.5%
Solihull	5.0%	99.4%	3.9%
Somerset	4.9%	42.1%	3.1%
South Gloucestershire	5.2%	43.1%	2.4%
South Tyneside	6.0%	74.6%	2.0%
Southampton	5.7%	100.0%	3.0%
Southend-on-Sea	5.1%	3.8%	1.7%
Southwark	6.0%	19.2%	2.5%
St. Helens	4.9%	10.8%	2.4%
Staffordshire	4.7%	31.1%	3.4%

Local Authority	Percentage of children aged 5 to 15 with EHC plans in January 2024 (1)	Percentage of new EHC plans issued within 20 weeks in 2023	Proportion of EHC plan decisions taken to SEND tribunal 2023
Stockport	5.2%	9.9%	1.1%
Stockton-on-Tees	5.5%	99.4%	2.8%
Stoke-on-Trent	5.5%	48.9%	2.8%
Suffolk	5.0%	3.9%	2.3%
Sunderland	5.1%	61.0%	2.5%
Surrey	5.9%	16.2%	4.7%
Sutton	5.0%	92.9%	2.9%
Swindon	5.5%	73.7%	2.7%
Tameside	6.3%	57.2%	0.9%
Telford and Wrekin	5.1%	98.1%	3.1%
Thurrock	6.0%	88.5%	0.9%
Torbay	6.9%	46.2%	1.2%
Tower Hamlets	7.5%	48.3%	0.8%
Trafford	5.4%	62.4%	0.6%
Wakefield	5.3%	89.3%	1.7%
Walsall	6.5%	60.2%	1.2%
Waltham Forest	6.5%	90.7%	0.9%
Wandsworth	6.0%	99.7%	2.4%
Warrington	4.7%	30.4%	0.4%
Warwickshire	4.6%	42.9%	2.5%
West Berkshire	4.7%	73.9%	2.9%
West Northamptonshire	4.4%	6.2%	3.6%
West Sussex	4.7%	3.6%	3.3%
Westminster	5.6%	99.4%	2.4%
Westmorland and Furness	5.7%	55.3%	0.4%
Wigan	5.2%	64.4%	0.8%
Wiltshire	6.2%	27.5%	2.1%
Windsor and Maidenhead	4.1%	95.3%	6.1%
Wirral	7.1%	32.5%	2.5%
Wokingham	4.8%	71.6%	4.2%
Wolverhampton	4.9%	75.8%	0.7%
Worcestershire	5.1%	27.7%	1.5%
York	4.3%	96.2%	2.2%

Notes:

- 1) The percentage of children aged 5 to 15 with EHC plans in January 2024 refers to children living in each local authority
- 2) The percentage of pupils with SEN without EHC plans in January 2024 includes all state and independent schools
- 3) Detailed EHC plan data are not available for the London Borough of Hackney for 2024
- 4) The City of London and Isles of Scilly are not included

Source: <https://explore-education-statistics.service.gov.uk/find-statistics/education-health-and-care-plans>

EMBARGOED ADVANCE NOTICE: Not to be published in full, or in part, in any form before 00.01am on Wednesday 15 January 2025.

Formal Minutes

Thursday 9 January 2025

Members present

Sir Geoffrey Clifton-Brown, in the Chair

Mr Clive Betts

Nesil Caliskan

Anna Dixon

Peter Fortune

Rachel Gilmour

Sarah Green

Rebecca Paul

Oliver Ryan

Declaration of interests

The following declarations of interest relating to the inquiry were made:

18 November 2024

Mr Clive Betts declared the following interest: Vice President of the Local Government Association.

Nesil Caliskan declared the following interests: Former Leader, London Borough of Enfield, former Leader of the Labour Group, Local Government Association.

Mr Luke Charters declared the following interest: wife is a primary school teacher.

Anna Dixon declared the following interests: previously worked at DHSC and has relative with autism who was supported by a Civil Service internship.

Chris Kane declared the following interest: wife is a primary school teacher.

Rebecca Paul declared the following interest: Surrey County Councillor

Michael Payne declared the following interests: Nottinghamshire County Councillor, Vice President of the Local Government Association, and a member of GMB and Unison.

Sarah Hall declared the following interest: Cabinet Member for Children's Services at Warrington Council

Support for children and young people with special educational needs

Draft Report (*Support for children and young people with special educational needs*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 40 read and agreed to.

Annex and Summary agreed to.

Introduction agreed to.

Conclusions and recommendations agreed to.

Resolved, That the Report be the First Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available (Standing Order No. 134).

Adjournment

Adjourned till Monday 13 January at 3 p.m.

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

Monday 18 November 2024

Susan Acland-Hood, Permanent Secretary, Department for Education;

Juliet Chua CB, Director-General Schools, Department for Education;

Alison Ismail, Senior Responsible Officer for SEN, Department for Education;

Jonathan Marron, Director General Primary Care and Prevention,
Department for Health and Social Care

[Q1-87](#)

Published written evidence

The following written evidence was received and can be viewed on the [inquiry publications page](#) of the Committee's website.

SFC numbers are generated by the evidence processing system and so may not be complete.

1	Day, Dr Anne-Marie; and Westwood, Dr Kate	SFC0078
2	ADHD 360	SFC0039
3	Action Cerebral Palsy	SFC0001
4	Ambitious about Autism	SFC0074
5	Anonymised	SFC0071
6	Auditory Verbal UK	SFC0035
7	Better Communication CIC	SFC0073
8	British Association of Teachers of Deaf Children and Young People	SFC0030
9	Carers Trust	SFC0060
10	Centre for Studies on Inclusive Education	SFC0080
11	Challenging Behaviour Foundation	SFC0070
12	Children's Services Development Group (CSDG)	SFC0057
13	Contact	SFC0017
14	Council for Disabled Children	SFC0065
15	Devon SEND Parents and Carers for Change	SFC0072
16	Disabled Children's Partnership	SFC0037
17	Early Education and Childcare Coalition	SFC0043
18	Family Fund	SFC0024
19	Farran, Professor Emily (Professor of Cognitive Development, University of Surrey)	SFC0061
20	Herwegen, Professor Jo Van (Professor of Developmental Psychology and Education, UCL Institute of Education)	SFC0010
21	IPSEA (Independent Provider of Special Education Advice)	SFC0004
22	Information, Advice and Support Services Network	SFC0047

23	Kids	SFC0052
24	Learning in Harmony Trust	SFC0032
25	Local Government Association	SFC0040
26	Minerva's Virtual Academy	SFC0056
27	NASS (National Association Special Schools)	SFC0029
28	NASUWT	SFC0048
29	NEU	SFC0044
30	NHS Confederation	SFC0038
31	National Association of Head Teachers (NAHT)	SFC0053
32	National Autistic Society	SFC0045
33	National Development Team for Inclusion	SFC0075
34	Natspec	SFC0033
35	Nexus Multi Academy Trust	SFC0015
36	Royal College of Speech and Language Therapists	SFC0042
37	SEND Crisis Hertfordshire	SFC0025
38	Selective Mutism Information and Research Association (SMiRA)	SFC0022
39	Sense	SFC0034
40	Somerset SENDIAS Service	SFC0036
41	Special Educational Consortium	SFC0051
42	Speech and Language UK	SFC0077
43	The BUSY Group UK	SFC0063
44	The British Psychological Society	SFC0028
45	The Disability Policy Centre	SFC0003
46	Thomas Pocklington Trust	SFC0014
47	Triple P UK	SFC0054
48	West Sussex County Council	SFC0059
49	Westcott, Karen (Secretary, F40)	SFC0079
50	Witherslack Group	SFC0055



Northumberland County Council

Wellbeing and Community Health

Agenda Item 6

SCHOOLS FORUM

22 January 2025

Setting the Dedicated Schools Grant (DSG) 2025/26

1. Purpose of the Report

To inform Schools Forum of the DSG settlement for 2025/26, as provided by the Education and Skills Funding Agency (ESFA) on 18 December 2024, and the proposed formula values for the allocation of funds to Schools for 2025/26.

2. Recommendations

2.1 Schools Forum is recommended to:

- note this report and the information provided in respect of the various elements of the 2025/26 Dedicated Schools Grant; and
- note, where appropriate, the various specific budgets within the individual elements of the DSG will be presented to the 15 February 2025 meeting.

2.2 Approve the use of £187,600 growth funding as outlined for the King Edward VI Academy wef September 2025.

2.3 Members of the Schools Forum representing maintained mainstream schools agree on a phase by phase basis to the de-delegation in respect of the services listed above for 2025/26 using the per unit values, and estimated overall values as set out below.

3. Background

Schools Forum has previously received reports outlining developments in relation to the National Funding Formula (NFF). The November 2024 report outlined the position to date, confirmed Northumberland's position as a local authority that currently "mirrors the NFF in all factors". The ESFA classifies "mirroring the NFF" as being within 2.5% of the respective NFF Factors, as stated at page 8 of ;

[The national funding formulae for schools and high need 2025-26 November 2024](#)

A 2 phase agreement was made in relation to the transfer of funds from the Schools Block to the High Needs Block, involving an initial agreement of up to 0.5%, plus the potential to transfer a further 0.5% subject to the final figures received. This would

also require the agreement of the Secretary of State for Education. It was noted that final decisions were delegated to the Executive Director of Children, Young People and Education and The Cabinet Member for Inspiring Young People once the final figures were received in December.

Subsequently to the last Schools Forum meeting, the 2025/26 DSG figures were received from the ESFA on 18 December 2024. Our 2025/26 basic Schools Block DSG Grant figure is £244,936,033, which is some £15,226,381 (6.6%) higher than the equivalent 2024/25 figure of £229,709,652. However this does not represent a “like for like” comparison, as the Teachers’ Pay Additional Grant (TPAG), Teachers Pension Employer Contribution Grant (TPECG) and Core Schools Budget Grant (CSBG) have been rolled into the DSG for 2025/26, the impact of this is demonstrated below :

2024/25 DSG	:	229,709,652
ADD : 2024/25 TPAG	:	3,799,102
2024/25 TPECG	:	4,651,601
2024/25 CSBG	:	4,754,174

ADJUSTED TOTAL : 242,914,529

The 2025/26 Schools Block DSG allocation shows an increase of **£2,021,504 (0.83%)** on 2024/25. The other elements of the DSG are shown in the table below:

DSG Block (£)	2024/25	2025/26	CHANGE	
			£	%
Schools block	242,914,529	244,936,033	2,021,504	0.83%
High Needs block	54,413,457	58,749,453	4,335,996	7.97%
Central School Services block	2,157,405	2,202,970	45,565	2.11%
Early Years block	30,293,355	42,531,750	12,238,395	40.40%
Total DSG allocation	329,778,746	348,420,206	18,641,460	5.65%

Northumberland’s total 2025/26 DSG allocation is £348,420,206 (2024/25 equivalent: £329,778,746) before any recoupment or deductions for academies, or any High Needs Adjustments. The changes to the Early Year funding arising from the extension to the pre-school offer constitutes by far the largest element of this increase.

It should be highlighted that the most significant influence on the 2025/26 Schools Block is the fall in pupil numbers in our mainstream schools between Reception and Year 11. For 2024/25, numbers fell by 253, but the October 2024 school census figures are showing a further fall of 607 pupils, split between Primary and Secondary as follows :

Year	Primary	Secondary	Change	
			Nos	%
2024/25	22,172	21,716	-456	-2.1%
2025/26	16,380	16,229	-151	-0.9%
TOTAL	38,552	37,945	-607	-1.6%

To provide some financial context to this, if it is remembered that the minimum per pupil funding is £4,955 (Primary) and £6,465 (Secondary) this results in lost funding of £3.3 million for Northumberland Schools.

There are a number of contributory factors to this fall in pupil numbers:

- Birth Rate: Due to the age profile of children and young people in Northumberland, it is a fact that the number of students leaving year 11 is significantly higher than the incoming numbers of students at Reception. The previous October 2023 census used by the APT showed 3,250 students in year 11, whereas the reception group “replacing” them this year was 2,790 – a reduction of 460 students.
- Increasing number of students in special schools: A comparison of Special School at the October 2023 and 2024 census points shows the number of students in Northumberland maintained special schools and special academies rise by 134 from 1,340 to 1,474.

Other contributory factors are the increases in permanent exclusions, and the number of students being educated out of school, whether EOTAS, EHE etc.

The DSG remains as a ring-fenced grant subject to formal grant conditions. As in 2024/25, the DSG is split into four blocks and each block will be determined by a separate national funding formula. Further information is provided on each element in the subsequent sections of the report below.

4. Consultation with Schools - Update

4.1 The November 2024 Schools Forum meeting heard an interim report in relation to the consultation with Schools, which was being undertaken at that point. At that point, 17 schools had responded to the consultation. By the deadline of the 03 December 2024 a total of 20 schools responded, the details of the responses are provided at Appendix A to this report, but essentially the responses continued to be in line with the update provided to November’s meeting:

- Clear support for a 0.5% transfer from the Schools Block to the High Needs Block, a reduced majority in favour of a 1% transfer, with no clear consensus on a larger transfer in future years.
- There was no clear view in relation to the use of Capping and Scaling, or which Formula Factors to reduce in the event there is sufficient funding to meet NFF Values.
- MFG should be set at the highest level possible.

5. Early Years Block (Total 2025/26 EY Block funding £42,531,750)

Since April 2017 the Early Years Block has been subject to a National Funding Formula (with multiple area adjustments). Significant growth to funded entitlements were introduced in 2024/25 as part of the Government support package for working parents. This included the introduction of 15 hours funded childcare for working

parents of children from 9 months from September 2024 increasing to 30 hours from September 2025. As a result, there was a corresponding increase in the total Early Years Block for 24/25 of 58% compared to the previous year. This growth continues at a further 40% in 25/26 as the extended entitlements move towards the final roll out.

The proposals for 2025/26 rates are based on the principles of-

1. Passporting as much funding to providers as possible by maximising the base rates for all to support-
 - sustainability and sufficiency of the market
 - meeting the minimum wage, pension contribution and NI increases
 - recognition that smaller ratios required by the expansions mean higher costs
2. Maintaining deprivation supplement for 3- and 4-year-olds to further support a substantial raise from DfE in EYPP rates and the council's equalities agenda
3. Maintaining the Send Inclusion Fund (SENIF) budget from this year as we 'test' the full extended roll out

Schools' forum will recall an in year (2024/25) uplift to the 3- and 4-year-old scheme from September 2024 via a supplementary grant that was passported directly to providers. 13p in addition to the £5.20 hourly rate was passported to all providers to support the whole sector with rising staffing and business costs.

The Northumberland Early Years National Funding Formula hourly rate for 3 and 4-year-olds has increased further to £5.71 (4.4%) for 2025/26.

The Northumberland Early Years National Funding Formula hourly funding rate for 2-year-olds has increased by 22p to £7.72 (2.9%) for 2025/26.

The Northumberland Early Years National Funding Formula hourly funding rate for under 2-year-olds has increased by 27p to £10.47 (2.6%) for 2025/26.

The Disability Access Fund (DAF) annual rate has been increased from £910 (2024/25) to £938 (2025/26) for all age ranges.

The Early Years Pupil Premium (EYPP) hourly rate has been increased by 32p to £1 per hour for 2025/26 for all age ranges. Schools Forum will also recall that we agreed to top up this rate through introducing further additional deprivation payments based on EY Pupil Premium eligibility with effect from April 2020. This will remain as a mandatory supplement for 3- and 4-year-olds only. The increase in EYPP and maintaining the deprivation supplement for 3- and 4-year-olds has created an overall deprivation increase of 22% from £1.44 (24/25) to £1.76 (25/26)

As well as the hourly rates, SEND and deprivation payments the Early Years Block expenditure also funds the Early Years Team. The team supports around 400 providers and their families with high quality training, assessment, guidance, Ofsted preparation, SEND, funding, sustainability and business management. The national minimum "pass through" level of funding (i.e. the % that must be paid directly to

providers) has been reduced from 95% to 96%. Due to the introduction of the new entitlements for working parents for 9-month-olds to 4-year-olds appropriate deductions can be made for supplements and central costs across the block excluding EYPP and DAF. Historically Northumberland settings have always received a pass through of above 95%. For 2025/26 this will be 98%.

It is mandatory to have an Early Years Inclusion Fund. This has historically been solely funded from the High Needs Block however due to the increasing demands on this block, we propose to maintain the amount retained in 24/25 retaining 0.35% of the base rate of each stream to support this creating a budget of £142,057 which should can be supported by any Disability Access Fund underspend if needs increase due to the growth in entitlements within year.

The initial allocation for the Early Years Block for 2025/26 is £42,531,750 including the £570,355 allocation for the Early Years Pupil Premium (EYPP) and £245,756 for the Disability Access Fund (DAF). It includes an initial allocation of £18,657,015 for 3 and 4-year-olds, £11,061,947 for 2 -year-old children and £11,979,979 for under 2's.

All these allocations are indicative and are based on the January 2024 census, they will be further revised in the light of the January 2025 and January 2026 census data. However, payments will continue to be made to schools and PVI settings based on actual pupil numbers in each of the three terms, Summer 2025, Autumn 2025 and Spring 2026.

Considering the income and expenditure streams noted above, the proposed hourly payment rates for 2025/26 are shown below with 2024/25 figures for comparison:

Entitlement	Current 24/25	Proposed 25/26	£ increase	% increase
3–4-year-olds** Sept24-Apr25	£5.20 (£5.33 from sept 24)	£5.50	£0.30 (£0.17)	5.7% (3.2%)
2-year-olds**	£7.27	£7.55	£0.28	3.9%
Under 2-year-olds**	£9.87	£10.25	£0.38	3.9%
EYPP – (first 15 hours all age ranges)	68p	£1	£0.32	47%
Deprivation Supplement (mandatory) - EYPP + – (first 15 hours 3- and 4-year-olds only)	76p	76p	-	0%
EYPP and EYPP +	£1.44	£1.76	£0.32	22%
DAF - all age ranges annually	£910	£938	£28	3.1%

** includes 6% notional SEND funding

The proposal for 2025/26 rates passports as much funding as possible to providers, increasing our rates beyond DfE rises for each age range. This has been made possible by lowering the percentage retained for core costs and supplements yet still providing an increase in deprivation overall. Thus, supporting the whole sector, to the best of our ability, to meet rising staffing costs and to continue providing sustainable, high-quality childcare.

It has been agreed with Corporate Finance that these proposed rates can be funded from within the overall EY DSG budget.

Note 1 : Schools Forum is requested to note the following:

The Early Years Block budget to be set at the DfE allocation of £42,531,750 as detailed in Annex 1;

The 3- and 4-year-old rate will increase with a 30p uplift from £5.20 (2024/25) to £5.50 per hour (2025/26);

The 2-year-old rate will increase with a 28p uplift from £7.27 per hour (2024/2025) to £7.55 per hour (2025/2026);

The under 2-year-old rate will increase with a 38p uplift from £9.87 per hour (2024/2025) to £10.25 per hour (2025/2026);

6. High Needs Block (Total 2025/26 HN Block funding £58,749,453)

The latest indicative High Needs Block (HNB) allocation for 2025/26 is £58,749,453, a 7.9% uplift on the 2024/25 figure of £54,413,457. These figures are before deductions of £4,178,000 by the ESFA for direct funding of places by the ESFA of Pre and Post 16 in Academies, Post 16 in maintained special schools and post 16 in Independent Learning Providers (ILP) and Further Education (FE) establishments, as outlined in Annex 1.

The current 2025/26 allocation after these deductions is £54,571,453. This figure includes a £591,000 reduction in respect of the net import export adjustments.

Work is continuing on the detail of the total requirements within the High Needs Block, and it is recommended that the total 2025/26 budget for the High Needs Block is set at this time, with the detailed breakdown of that funding into the various services being provided to the Schools Forum meeting on 19 February 2025. Setting the overall total for the High Needs Block is necessary at this time as final decisions in relation to the Schools Block must be made before the deadline of 22 January 2025 for submitting the APT and final mainstream school formula values to the DfE.

Note 2:

The budget for the High Needs Block will be set at £54,571,453 after the deductions for ESFA place funding. This is prior to the transfer from the Schools Block to the High Needs Block of £1,224,081, resulting in total High Needs funding available of £55,795,534.

Recommendation (2.1):

To agree that the various budgets within the High Needs Block be set at the meeting on 15 February 2025.

7. Schools Block (Total 2025/26 Schools Block funding £244,936,033)

The 2025/26 Primary unit of funding (per pupil figure) is £5,774.86 (£5,333.55 in 2024/25) and the Secondary unit of funding is £7,091.74 (£6,549.43 in 2024/25), which, when multiplied by the pupil numbers gives an initial allocation of £240,498,709 (£215,114,179 in 2023/24). The addition of a fixed amount in respect of Growth and Premises of £4,437,324 gives a total Schools Block of £244,936,033, before the deduction for rates of £2,851,456, as set out in **Annex 1**. Please remember the previous 2024/25 figures did not include any adjustment in respect of the TPAG, TPECG or CSBG highlighted earlier.

At the 27 November 2024 Schools Forum meeting, it was agreed that up to 1% could be transferred from the Schools Block to the High Needs Block, to help address the financial challenges arising from the continuing increase in the number of Education Health and Care Plans (EHCPs). It was noted that any amount over 0.5% would be subject to the approval of the Secretary of State, and that delegated powers were agreed for the Executive Director for Children, Young People and Education and the Cabinet Member for Inspiring Young People to determine the final formula values, once the details of the settlement were received in December.

Details of the settlement have been provided within this report, but the final Schools Block settlement was some £3.7 million less than the previous indicative allocation published in November, primarily due to the fall in pupil numbers outlined previously.

Due to this, and after careful consideration, it has been agreed through delegated powers to seek a final transfer of 0.5% from the Schools Block to the High Needs Block. Subject to the final agreement of the ESFA to the school funding proposals for 2025/26, a transfer of £1,224,081 will enable the School Block to be distributed in line with the funding factors outlined in Table 1 below. As in 2024/25 this is only possible after the use of the part of the Growth funding allocation to fund in part the transfer to the High Needs block, although an element of the Growth funding is required to provide additional secondary classes in Morpeth, as outlined below.

National Funding Formula (NFF) are provided for your information in Table 1 below. With an overall School Block allocation to Northumberland of £244.936 million, it is not possible to make payments in line with National Funding Factors for 2025/26, which would cost an estimated £245.292 million. With a 0.5% transfer of £1.224 million, the overall shortfall would be £1.580 million. It has been necessary to review rates for Northumberland in light of this, and in setting the final rates, we have avoided any reductions to 2024/25 formula rates for 2025/26, and increased elements such as AWPU by the same % increases across both Primary and Secondary. Indicative allocations at a school level subject to final ESFA approval are provided for your information at Appendix B. Inevitably, pupil numbers continue to be the key determinant of school funding.

The Minimum Funding Guarantee (MFG) is the mechanism that prevents excessive changes in the per pupil values on a year to year basis, that could potentially arise from changes in the overall student profile affecting low prior attainment and deprivation. The lump sum, sparsity and rates formula factors are excluded from

MFG calculations by the ESFA in order to avoid excessive or inappropriate protection. The ESFA has set parameter that MFG must be set within -0.5% and 0%, and it is proposed that Northumberland uses 0%, in order to provide the maximum support to the largest numbers of schools possible. Capping and scaling has not been used for 2025/26 as the application of capping and scaling would not have enabled payments to be made at NFF levels, therefore it has been necessary to look at the factor values instead.

As reported to the November 2024 meeting, disapplication requests have been made to the ESFA in respect of :

- Reorganisations within the Coquet and Berwick partnerships.
- Exceptional rent costs of over 1% in respect of Seaton Delaval and Beaufront First Schools, and Astley High School.

As the final block transfer from the Schools Block to the High Needs Block is not more than 0.5%, there was no disapplication request required in respect of this. At the time of writing this report in early January, the result of these applications is not yet known.

As part of School Place Planning for September 2025, it has been identified that we will need 2 additional year 7 classes in Morpeth at the King Edwards VI (KEVI) Academy. In line with the Growth Policy previously ratified by Schools Forum these will be funded at AWPU only using Growth funding for the period from September 2025 to March 2026. In line with the recommendation below Schools Forum is recommended to agree this decision. The cost of this is estimated to be £187,600 (£5,360 x 60 x 7/12).

As agreed at the 27 November 2024 Schools Forum meeting, and in conjunction with the associated 14 January 2025 Cabinet report, the decision on the final formula values is delegated to the Executive Director of Children', Young People and Education & Cabinet Member for Inspiring Young People. This is required in case of any adjustments following the submission of information to the ESFA by their 22 January 2025 deadline and the deadline for the confirmation of schools' budget shares to mainstream maintained schools by 28 February 2025. No changes are anticipated at this stage. As in previous years, it is intended to provide maintained schools with their 2025/26 budget via the Schools E-courier bulletin by the ESFA deadline of 28 February 2025. This covers the period from April 2024 to March 2025. The equivalent figures for academies will be included for illustrative purposes only; the ESFA is responsible for the provision of the general annual grant statements to academies for the period from September 2025 to August 2026 by 31 March 2025.

Note 3:

The budget for the Schools Block to be set provisionally at £244,936,033, before the deduction of a proposed amount of £422,189 in respect of de-delegation. This figure is further reduced to £243,289,763 after the transfer of £1,224,081 to the High Needs Block.

Note 4:

School budget shares be provisionally constructed based on the formula values shown the final column of Table 1, including an MFG value of 0%, and

no capping and scaling, subject to any adjustments required once the ESFA's decision is known.

Note 5:

Delegated powers to Executive Director of Children, Young People and Education and The Cabinet Member for Inspiring Young People to set the final formula values as agreed by Cabinet on 14th January 2025.

Recommendation (2.2)

Schools Forum is recommended to agree growth funding of £187,600 to support two additional year 7 classes at KEVI.

Table 1

**COMPARISON OF FINAL 2024/25 AND PROPOSED 2025/26 FORMULA VALUES FOR NFF
AND NORTHUMBERLAND**

Factor (all figures £)	NFF Values	NCC Values	NFF Values	Proposed NCC Values	Movement in NCC values 24/25 to 25/26
	2024/25	2024/25	2025/26	2025/26	
col (a)	col (b)	col (c)	col (d)	col (e)	col (f)
# AWPU Primary	3,562	3,562	3,847	3,800	6.68%
KS3	5,022	5,022	5,422	5,360	6.73%
KS4	5,661	5,661	6,113	6,040	6.69%
# Lump Sum Primary / Secondary	134,400	134,400	145,100	143,300	6.62%
Deprivation - Free School Meals Primary	490	490	495	490	0.00%
Secondary	490	490	495	490	0.00%
# Deprivation – FSM6 Primary	820	820	1060	1,050	28.05%
Secondary	1,200	1,200	1,555	1,540	28.33%
Deprivation – IDACI:					
Primary Band F	235	235	235	235	0.00%
Band E	285	285	285	285	0.00%
Band D	445	445	445	445	0.00%
Band C	485	485	490	490	1.03%
Band B	515	515	520	515	0.00%
Band A	680	680	685	680	0.00%
Secondary Band F	340	340	340	340	0.00%
Band E	450	450	450	450	0.00%
Band D	620	620	635	635	2.42%
Band C	690	690	695	695	0.72%
Band B	740	740	745	740	0.00%
Band A	945	945	950	945	0.00%
Low Attainment Primary	1,170	1,170	1,175	1,170	0.00%
Secondary	1,775	1,775	1,785	1,775	0.00%
EAL Primary	590	590	595	590	0.00%
Secondary	1,585	1,585	1,595	1,585	0.00%
MOBILITY : Primary	960	960	965	960	0.00%
Secondary	1,380	1,380	1,385	1,380	0.00%
SPARSITY(max) : Primary	57,100	57,100	57,400	57,100	0.00%
Middle	83,000	83,000	83,400	83,000	0.00%
Secondary/All Through	83,000	83,000	83,400	83,000	0.00%
<i>(subject to notification of final ESFA approval of rates)</i>					
Capping		2.13%		-	
Scaling		75%		-	
Minimum Funding Guarantee		0.5%		0.0%	
<i>(range of -0.5% to 0% dictated by ESFA for 2025/26)</i>					
# Increases in AWPU, Lump Sum and Deprivation (FSM6) influenced by TPAG, TPECG and CSBG rolled in elements, (See table on following page)					

Factor	TPAG	TPECG	CSBG	CSBG uplift	TOTAL
Primary AWPU	62	75	76	51	264
KS3 AWPU	86	106	108	71	371
KS4 AWPU	98	119	122	80	419
Primary FSM	53	65	70	45	233
Secondary FSM	77	100	100	68	345
Lump Sum	2306	2800	2900	1915	9921

8. De-Delegation

The School and Early Years Finance Regulations, last updated in February 2024 permit that certain services can have funding centrally retained by the de-delegation of funding from maintained schools (but not from academies) with the specific approval of the relevant members of the Schools Forum. Academies are free to purchase these services, either through a Service Level Agreement (SLA) or on a Pay As You Go basis. Special Schools and the PRU are not affected by the de-delegation but can also participate through the SLA or on a Pay As You Go basis.

De-delegated funding is therefore formally requested in respect of the remaining 4 services for maintained mainstream schools:

	2024/25 Estimate (£)	2025/26 Estimate (£)	Cost per eligible unit (unchanged)(£)
Contingency Fund for School Restructure and Re-organisation costs	315,200	285,108	20.00
Determination of FSM Eligibility	22,606	21,684	6.00
Trades Union Facility Time	51,220	46,330	3.25
English as an Additional Language (EAL) services	55,600	69,067	220.00
TOTAL:	444,626	422,189	-

De-delegation is an integral part of the way in which these services are funded, and any changes would require a significant change of the way of working with schools. Cash values have been held at the same level as 2020/21 for all de-delegated budgets.

Recommendation (2.3):

Schools Members of the Schools Forum representing maintained mainstream schools agree on a phase by phase basis to the de-delegation in respect of the four services listed above for 2025/26 using the per unit values, and estimated overall values as set out in the final column of Annex 1.

9. Central School Services Block (Total 2025/26 CSSB funding £2,202,970)

This block was newly created in 2018/19 and comprises of funding for ongoing statutory responsibilities of the Council and a cash sum for historic commitments. The 2025/26 allocation for this block is £2,202,970, a figure £45,565 (2.1%) higher than the 2024/25 allocation of £2,157,405. This reduction in the historic element was expected and has previously been reported.

As with the High Needs Budget, the overall budget will be set at £2,202,970 in line with the allocation, with the details of the budget being provided to the February Schools Forum meeting.

Note 7:

The budget for the Central Schools Services Block will be set at £2,202,970 as set out in Annex 1

Recommendation (2.1):

To agree that the various budgets within the Central School Services Block be set at the meeting on 15 February 2025

DEDICATED SCHOOL GRANT (DSG) ALLOCATION 2025/26 - FINAL (as at 06 January 2025)

Annex 1

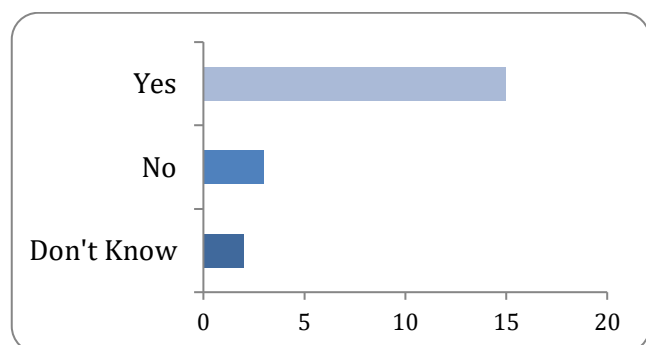
	Pupils	Unit Value	
Schools Block			
Main Primary	21,716.0	5,774.86	125,406,860
Main Secondary	16,229.0	7,091.74	115,091,849
Premises			3,442,429
Growth & Falling Rolls			994,895
			244,936,033
NNDR Within the Premises Factor (Deducted and paid directly)			-2,851,456
Total Schools Block after Deduction of NNDR			242,084,577
Transfer to High Needs Block			-1,224,081
			240,860,496
Falling Rolls Fund			0
			240,860,496
Proposed De-delegation			-422,189
Schools Block AFTER De-delegation			240,438,307
Central School Services Block			
Pupil nos	37,945.0	43.97	1,668,442
Historic Commitments (NB 20% Reduction)			534,528
			2,202,970
Early Years Block			
3/4 Year Olds	3,771.37	x rate x 15 hrs x 38 wks	12,274,678
3/4 Year Olds - Additional 15 hours	1,960.96	x rate x 15 hrs x 38 wks	6,382,337
2 Year Old Entitlement - WPs (Apr to Aug)	409.23	x rate x 15 hrs x 38 wks	1,800,776
2 Year Old Entitlement - WPs (Sept to Mar)	1,433.24	x rate x 15 hrs x 38 wks	6,306,830
2 Year Old Entitlement - Fams rec Add Support	671.38	x rate x 15 hrs x 38 wks	2,954,341
Under 2s entitlement - (Apr - Aug)	444.80	x rate x 15 hrs x 38 wks	2,654,522
Under 2s entitlement - (Sept - Mar)	1,562.10	x rate x 15 hrs x 38 wks	9,322,457
Initial Allocation EYPP - 3 & 4 year olds	610.12	x rate x 15 hrs x 38 wks	347,769
Disability Access Fund - 3 & 4 year olds	202.00	x rate x Nos Eligible	189,476
Initial Allocation EYPP - under 2 year olds	32.24	x rate x 15 hrs x 38 wks	18,377
Initial Allocation EYPP - 2 year olds	358.26	x rate x 15 hrs x 38 wks	204,209
Disability Access Fund - 2 year olds	60.00	x rate x Nos Eligible	56,280
Disability Access Fund - under 2s	21.00	x rate x Nos Eligible	19,698
			42,531,750
High Needs Block			
			58,749,453
HN Place deductions			
Mainstream Academy Pre 16	0	6,000	0
Mainstream Academy Post 16	18	6,000	-108,000
Special Academy Pre 16	222	10,000	-2,220,000
Special Academy Post 16	33	10,000	-330,000
Special Free Schools Pre-16 SEN	80	10,000	-800,000
Mainstream Post 16	0	6,000	0
ILP and FE	120	6,000	-720,000
Alternative Provision Academies and Free Schools	0	10,000	0
Total Deductions to HN Block for Direct Funding of Places by ESFA			-4,178,000
TOTAL HIGH NEEDS BLOCK AFTER DEDUCTIONS			54,571,453
ADD: Transfer from Schools Block			1,224,081
TOTAL HIGH NEEDS FUNDING AVAILABLE			55,795,534
TOTAL 2024/25 DSG			348,420,206
TOTAL 2024/25 DSG after NNDR & HN ESFA places			341,390,750

2025/26 De-delegation Summary :

Contingency	285,108
Trade Union Facility time	46,330
EAL	69,067
FSM Eligibility	21,684
	422,189

4. Do you support a transfer of 0.5% from the Schools Block to the High Needs Block for the financial year 2025/26, in line with the 2024/25 figure?

There were 20 responses to this part of the question.



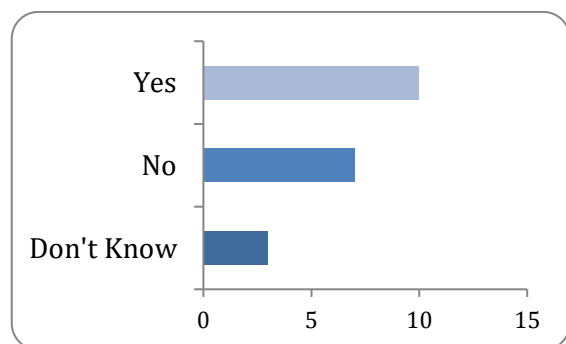
Option	Total	Percent
Yes	15	75.00%
No	3	15.00%
Don't Know	2	10.00%
Not Answered	0	0.00%

5: It is the intention (depending on the final need highs block allocations) to seek an additional 0.5% increased transfer from the Schools Block to the High Needs Block taking the overall transfer to 1% for 2025/26. This additional 0.5% requires the approval of Secretary of State for Education, which is why it is being requested separately to the initial 0.5%. The increase is intended to support growth in additional provision in mainstream schools. This additional 0.5% would bring the proposed transfer to a maximum of 1%, depending on the 2025/26 funding allocation.

Do you support a transfer of an additional 0.5% from the Schools Block to the High Needs Block for the financial year 2025/26?

Comment

There were 20 responses to this part of the question.

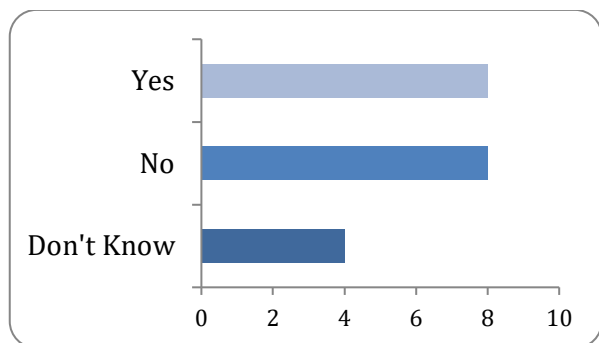


Option	Total	Percent
Yes	10	50.00%
No	7	35.00%
Don't Know	3	15.00%
Not Answered	0	0.00%

6: Would you be supportive of a larger transfer from the Schools Block to the High Needs Block in subsequent years to help address the current £6 million gap in resources?

Support transfer

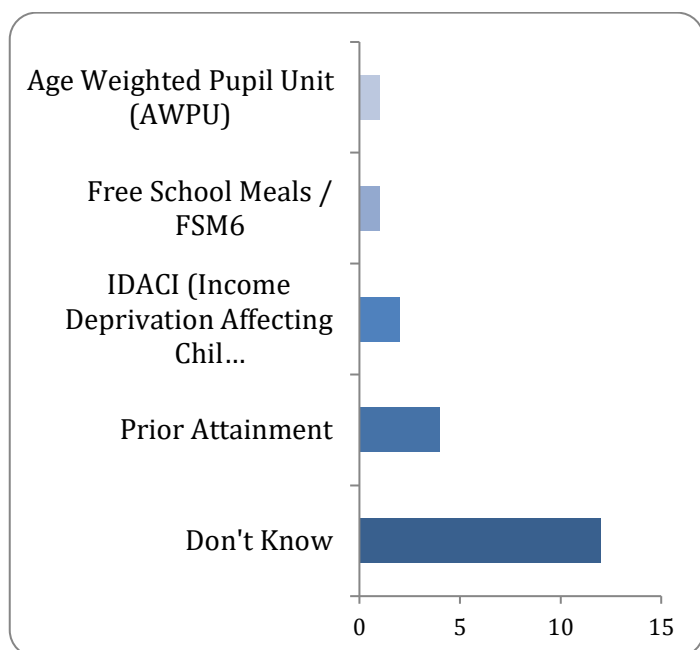
There were 20 responses to this part of the question.



Option	Total	Percent
Yes	8	40.00%
No	8	40.00%
Don't Know	4	20.00%
Not Answered	0	0.00%

7: Do you have any other suggestions as to how Northumberland can reduce its High Needs overspend? **Comment :** There were 20 responses to this part of the question.

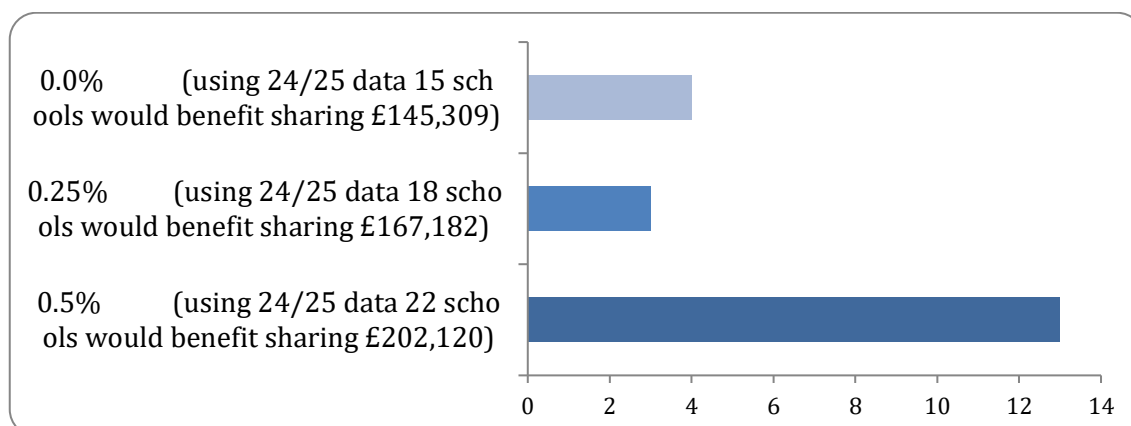
8: Following receipt of Northumberland's DSG Allocation for 2025/25, if it is not possible to fund all formula elements at the National Funding Formula values, which formula factor should be reduced to balance DSG: **Comment :** There were 20 responses to this part of the question.



Option	Total	Percent
Age Weighted Pupil Unit (AWPU)	1	5.00%
Free School Meals / FSM6	1	5.00%
Lump Sum	0	0.00%
IDACI (Income Deprivation Affecting Children Index)	2	10.00%
Prior Attainment	4	20.00%
Don't Know	12	60.00%
Not Answered	0	0.00%

9: At what level do you believe Northumberland's MFG should be set for 2024/25?

There were 20 responses to this part of the question.

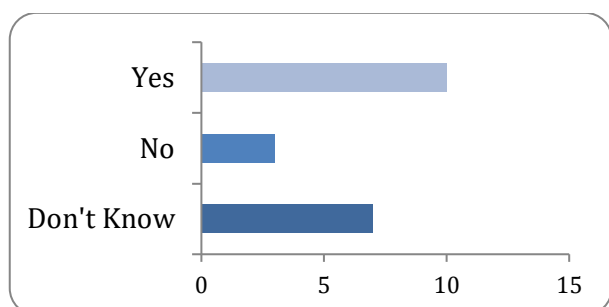


Option	Total	Percent
0.0% (using 24/25 data 15 schools would benefit sharing £145,309)	4	20.00%
0.25% (using 24/25 data 18 schools would benefit sharing £167,182)	3	15.00%
0.5% (using 24/25 data 22 schools would benefit sharing £202,120)	13	65.00%
Not Answered	0	0.00%

10: Do you support the potential use of capping and scaling as part of the 2025/26 School Budget setting process?

Yes/No

There were 20 responses to this part of the question.



Option	Total	Percent
Yes	10	50.00%
No	3	15.00%
Don't Know	7	35.00%
Not Answered	0	0.00%

11: Please provide any other comments that you have in relation to School Funding or SEN

Finance Comment : There were 7 responses to this part of the question.

(To be circulated subsequently prior to the meeting).

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Northumberland County Council SCHOOLS' FORUM

Agenda Item 7

22 January 2025

2025 WORK PROGRAMME AND MEETING DATES

Schools Forum

Wednesday 22 January 2025: 9.30-11.30 (Teams Meeting)

Setting the DSG for 2025/26 – overall allocations
De-delegation decisions for 2025/26

Wednesday 19 February 2025: 9.30-11.30 (Teams Meeting)

Setting the DSG budget for 2025/26 – individual budgets

Wednesday 16 July 2025: 9.30-11.30 (Face to Face Meeting, Council Chamber, County Hall Morpeth)

DSG Provisional Outturn
Scheme for Financing Schools
Analysis of School Balances

Wednesday 01 October 2025: 9.30-11.30 (Teams Meeting)

NFF Update
Review of Schools Forum Membership

Wednesday 26 November 2025: 9.30-11.30 (Teams Meeting)

National Funding Formula Update & Consultation for 2026/27
SEN Update

High Needs Committee (Provisional):

Wednesday 03 February 2025, 9.30 -11.00

Wednesday 02 July 2025, 9.30 -11.00

Wednesday 12 November 2025, 9.30 -11.00

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