

NORTH YORKSHIRE SCHOOLS FORUM

Date of meeting:	Thursday, 18 September 2025
Title of report:	High Needs Block Summary
Type of report: Delete as required	For Information
Executive summary: Including reason for submission	The report highlights the projected financial pressure in the High Needs Block in 2025/26 and subsequent years, and the specific challenges facing the local authority and North Yorkshire schools and academies. The report provides information on SEND trends particularly around Education, Health and Care Plans and exclusions.
Budget / Risk implications:	N/A
Recommendations:	That members of the Schools Forum note the contents of the report
Voting requirements:	None
Appendices: To be attached	None
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Presenting officer: If not the originator	

1.0 PURPOSE OF THE REPORT

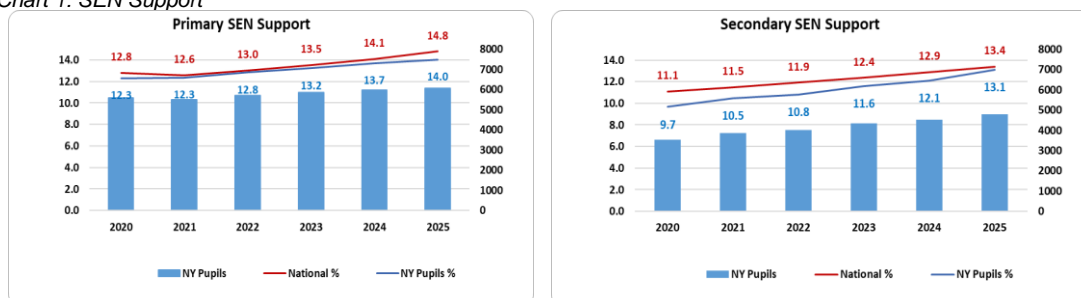
- 1.1 The paper provides information on trends with Special Educational Needs and Disabilities (SEND) giving rise to projected financial pressures. It summarises the current budget and outlines progress in implementing the Strategic Plan for SEND 0-25 and the local authority's response to participation in the Department for Education's Delivering Better Value in SEND programme.

2.0 IDENTIFICATION OF CHILDREN AND YOUNG PEOPLE WITH SEND

Children at SEN Support

- 2.1 The rate of children recorded as having SEN Support in schools in North Yorkshire has continued to be slightly below that of national rates, although there have been increases over the past few years. The rate of children having SEN Support in North Yorkshire primary schools is relatively lower than national rates compared to the difference in secondary schools. The percentage of SEN Support in secondary schools has increased at a much greater rate in North Yorkshire than is the case nationally, with the rate now being 13.1% in North Yorkshire and 13.4% in England. The rate in primary schools is 14.0% compared to 14.8% nationally.

Chart 1: SEN Support



- 2.2 As can be seen from **Chart 1** above, there continues to be a difference between the proportion of primary school pupils receiving SEN Support and the proportion of secondary school pupils receiving SEN Support. The table below shows the breakdown of primary and secondary schools based on the proportion of pupils on roll in receipt of SEN Support.

Table 1: SEN support – school analysis

	North Yorkshire Overall	Number of schools <5%	Number of schools 5- 9.9%	Number of schools 10-14.9%	Number of schools between 15-19.9%	Number of schools >20%
Primary	14.0%	4	59	123	56	53
Secondary	13.1%	2	9	15	9	7

Children with EHC Plans

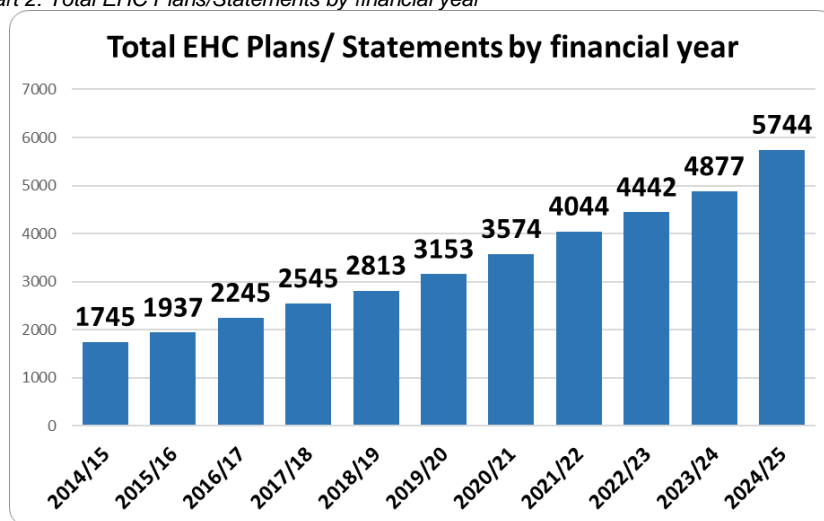
- 2.3 The number of requests for Education, Health and Care (EHC) assessments increased by +247% between 2015 and 2023 (calendar years). The 2024 calendar year saw 1,234 requests received, a similar level to 2023.

Table 2: Requests for EHC assessment by calendar year

2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
379	566	454	662	706	669	729	971	1316	1234

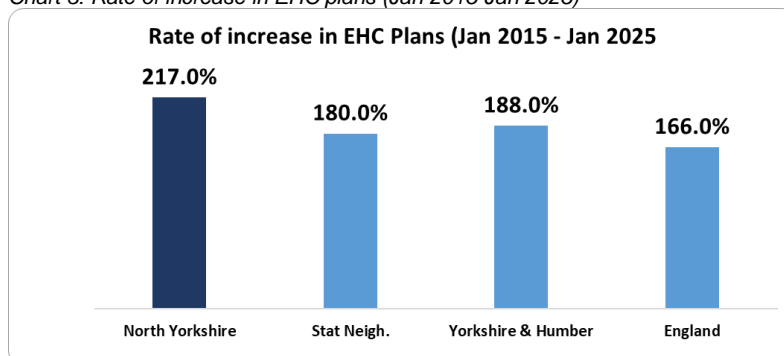
- 2.4 Furthermore, North Yorkshire was recorded as having a much higher rate of assessments not resulting in an EHC plan in 2024 than national figures. This was up from the 14.3% reported last year and remains significantly above the national benchmark of 6.1%. There are, however, signs that the refusal rate is reducing going into 2025-26.
- 2.5 There has been a considerable and sustained increase in the number of children receiving support via an EHC plan. By the end of the 2024-25 financial year, there were 5,744 children and young people receiving support via an EHC Plan. This is up by 17.7% on the end of the previous financial year, and represents a longer-term increase compared to the position at the end of the 2014-15 financial year.

Chart 2: Total EHC Plans/Statements by financial year



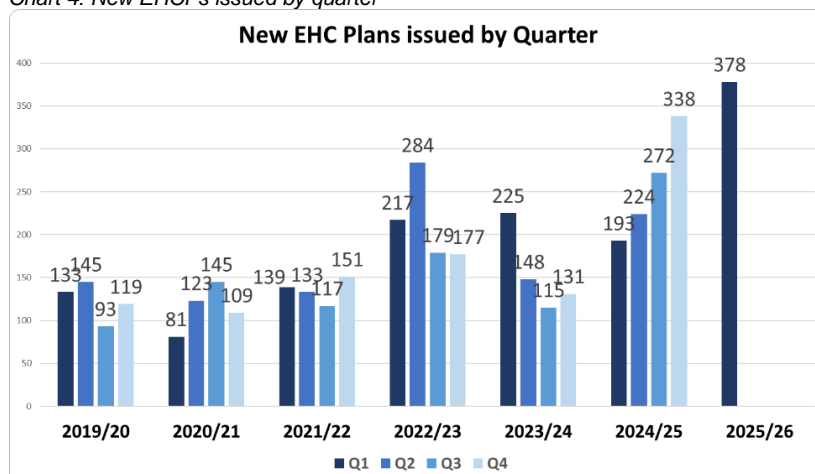
- 2.6 During the period between January 2015 and January 2025, the number of children receiving support under an EHC Plan (or Statement of SEND prior to the introduction of EHC Plans in 2015), has increased by +217%. This is a notably higher increase than has been seen across the Yorkshire & Humber region (+188%) and is significantly higher than the national increase (+166%). 3.5% of the 0 to 25 population in North Yorkshire now have an EHC plan, slightly lower than the national rate of 3.64%, continuing a trend of North Yorkshire being slightly below national rate

Chart 3: Rate of increase in EHC plans (Jan 2015-Jan 2025)



- 2.7 There has been an increasing trend in new EHC plans issued per quarter in the 2024-25 financial year. 2024-25 saw the largest number of new EHC plans issued – 1,027 in the financial year -with an increase seen in each quarter. This was an average of 214 per quarter. 2023-24 saw 619 EHC plans issued, representing a +66% increase. The 2025-26 financial year is indicating a continuation of this increasing trend, thus far.

Chart 4: New EHCPs issued by quarter



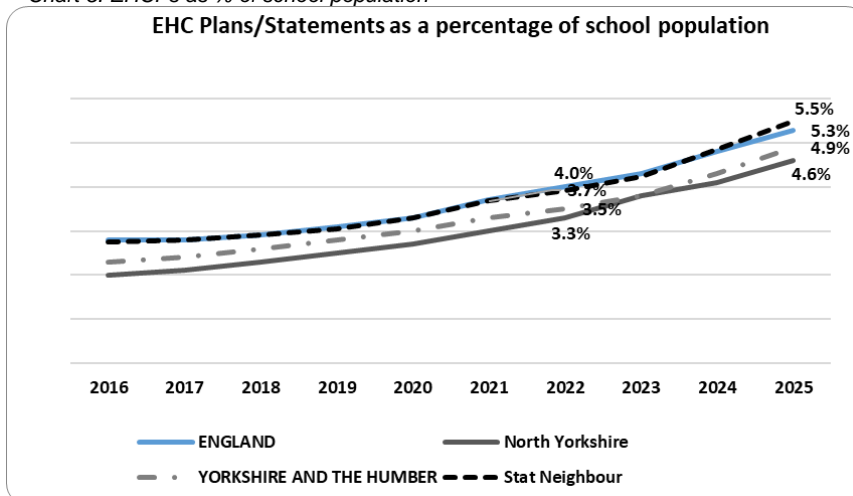
- 2.8 The number of ceased EHC plans (299) in 2024 was an increase on the 228 in 2023. The vast majority of ceased plans are for EHC plans for those aged 16 or older.

Table 3: Ceased EHC Plans

2022	2023	2024
386	228	299

- 2.9 The rate of EHC Plans as a percentage of the school population has increased broadly in line with a national increase since 2015 but remains below all comparators. In 2025, the gap between North Yorkshire's rate and the regional rate remain at approximately 0.7pp compared to national.

Chart 5: EHCPs as % of school population



- 2.10 The EHC Plan forecast to 2029 - based on historic trends since the implementation of the SEND code of practice - is shown in the table below (forecast numbers for the beginning of January in each year). The forecast takes into account new plans issued and plans ceased. North Yorkshire has seen increased requests for assessment and a much higher production of new EHC plans in recent years, along with numbers of plans ceased remaining at below half of new EHC plans issued. The growth in EHC plans is, therefore, expected to continue. However, it is important to note, with the publication of a Schools White Paper expected in Autumn this year on SEND reform, that there is considerable uncertainty involved in forecasting beyond 2025.

Table 4: EHC Plan forecast

2025	2026	2027	2028	2029
5492	6040	6619	7226	7863

As of January 2025 the majority of the EHC plan caseload in North Yorkshire were for children aged 15 or under (69% of the total of EHC plans). The population of young people aged 20 to 25 now represents 6% of the total (335 down from 361 in 2024), the total in this age bracket has remained relatively static since 2021, as these are most likely to be ceased. The lowest proportion of children are in the under 5 age bracket (4%), although this has also grown since 2015 and was 214 as of January 2025, the highest figure recorded.

Table 4: Count of North Yorkshire funded Statements and EHC plans by age group.

Beginning of Calendar Year:	Under 5	5 to 10	11 to 15	16 to 19	20 plus	Total
2015	60	593	798	277	0	1,728
2016	70	612	799	418	3	1,902
2017	50	679	859	526	86	2,200
2018	91	865	917	532	101	2,506
2019	141	1,040	1,016	523	105	2,825
2020	126	1,034	1,115	649	178	3,102
2021	125	1,165	1,246	748	256	3,540
2022	114	1,249	1,442	869	326	4,000

2023	181	1,434	1,712	851	249	4,427
2024	191	1,496	1,872	1,007	361	4,927
2025	214	1667	2121	1149	335	5486

Placement of children with an EHC Plan

2.11 The number of pupils (Reception to Year 11) with an Education, Health and Care Plan in mainstream schools (maintained and academy) has increased by +184% since 2016, from 831 in 2016 to 2,361 in 2025. Similarly, the number of pupils with an EHC plan in special schools (maintained and academy) has increased by +88%.

Chart 6: Placement of children with EHC Plans

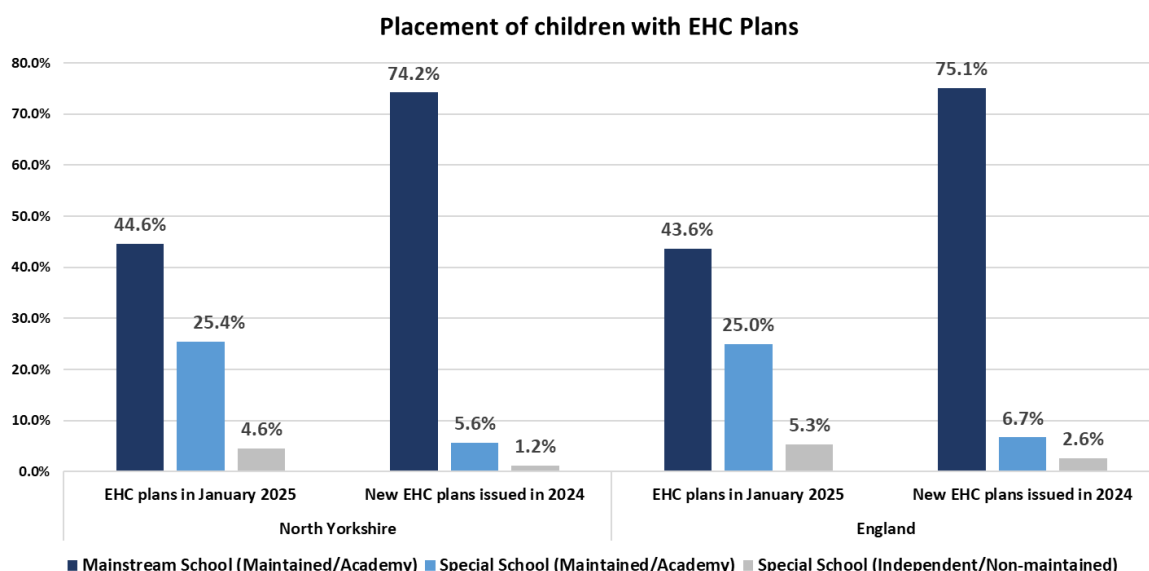
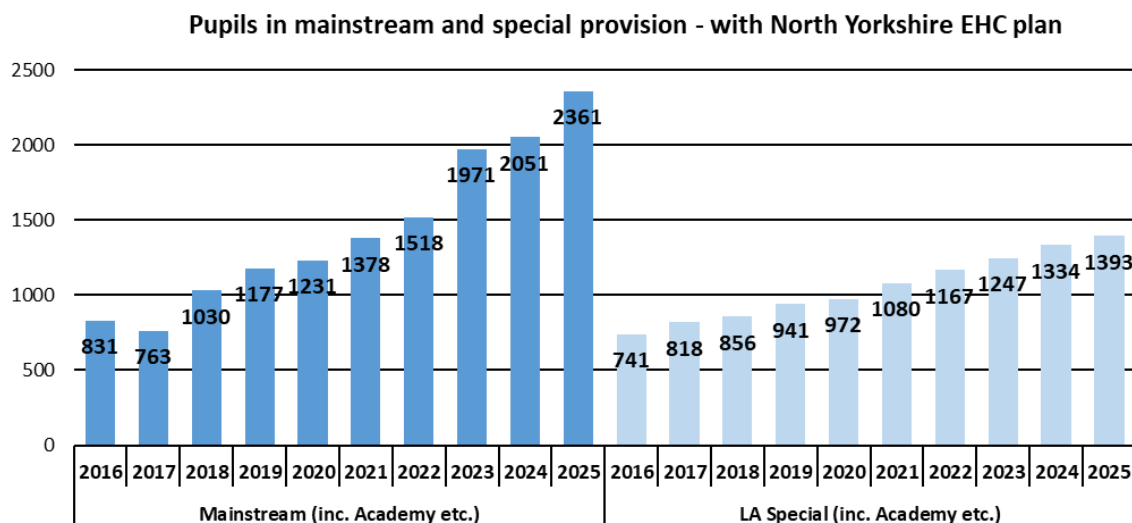
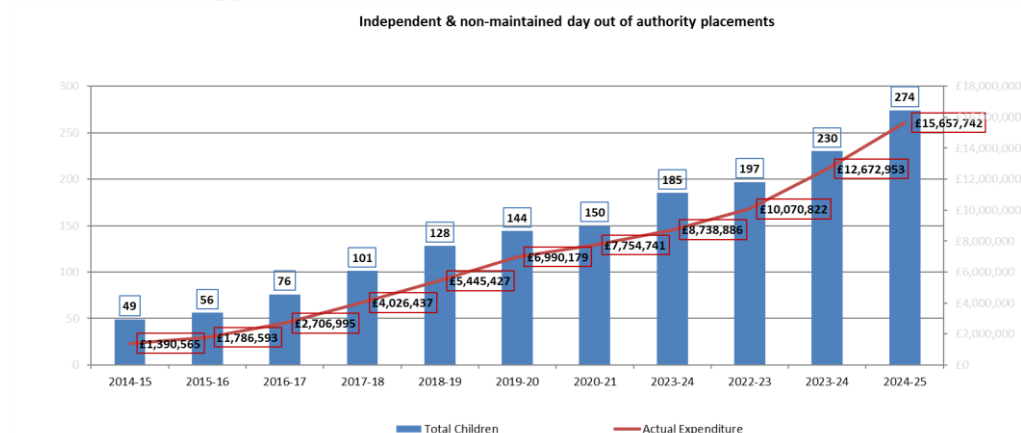


Chart 7: Pupils in LA mainstream and LA special schools



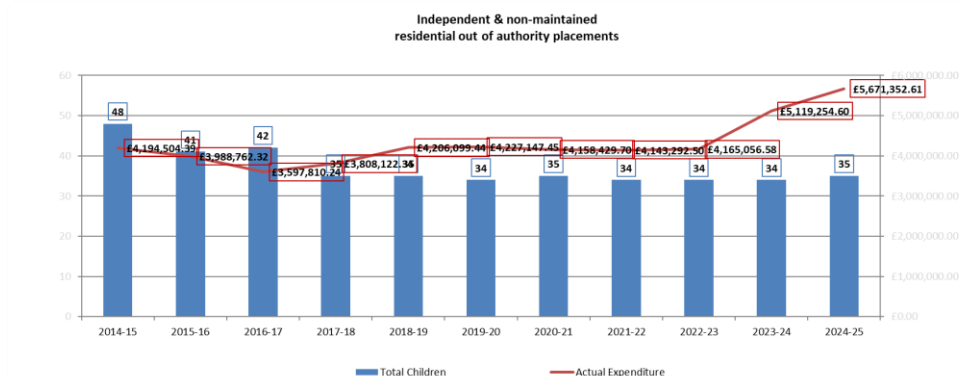
- 2.12 The total number of pupils in independent and non-maintained day out of authority placements (which includes independent and non-maintained providers in North Yorkshire) has shown a year-on-year increase since 2014-15. The expenditure has also increased year on year. In 2024-25, the total actual expenditure was £15,657,742, an increase in expenditure of 23% since the previous year (2023-24).

Chart 8: INMSS day placements



- 2.13 As seen in **Chart 9**, the total pupils in independent and non-maintained residential out of authority placements (which includes independent and non-maintained providers in North Yorkshire) has remained similar over the past four years and is currently at 35. However, despite remaining fairly static, expenditure started to increase in 2022-23 and has continued to do so into 2024-25. Total actual expenditure in 2024-25 was £5,671,352, an 11% increase on the 2023-24 total.

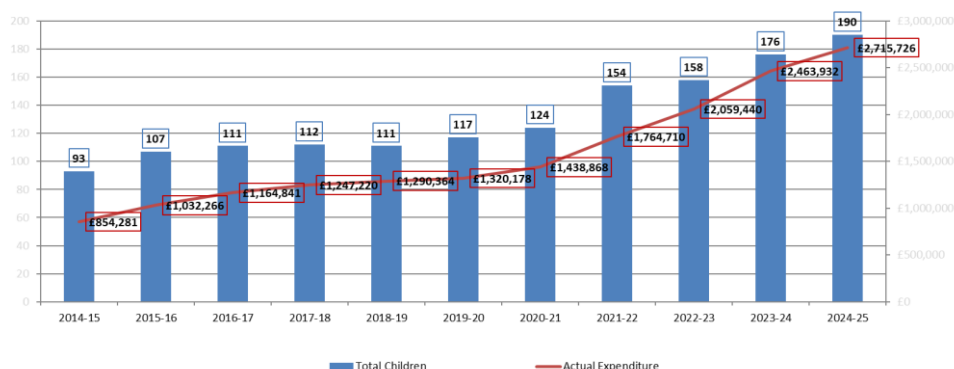
Chart 9: INMSS residential out of authority placements



- 2.14 The total pupils in other Local Authority maintained special school and special academy day placements had shown relatively small fluctuations between 2014-15 and 2019-20, averaging 109 pupils in that period. This has since increased to 190 pupils in 2024-25. This sharper uptake in pupils from 2020-21 onwards has resulted in expenditure also growing at a much sharper rate. The total annual expenditure in 2024-25 of £2,715,726, is an increase of 11% compared to 2023-24 expenditure.

Chart 10: Other LA maintained special school and special academy day placements

Other LA maintained special school & special academy day placements



3.0 EARLY YEARS – SEND

3.1 The DfE have introduced changes to the Early Years entitlement following announcements in 2023. The new early years entitlements are:

- 15 hours entitlement for eligible working parents of 2-year-old children from April 2024 (increasing to 30 hours from September 2025)
- 15 hours entitlement for eligible working parents of children from 9 months to 2 years old from September 2024 (increasing to 30 hours from September 2025)

The new working parent early years entitlements are additional to:

- 15 hours entitlement for disadvantaged 2-year-olds
- universal 15 hours entitlement for all 3 and 4-year-olds
- 15 hours entitlement for eligible working parents of 3 and 4-year-olds

3.2 The DfE Early Years Entitlements Guidance sets out the requirements that LAs are required to have Special Educational Needs Inclusion Funds (SENIFs) for all children with SEN eligible for or taking up the entitlements, regardless of the number of hours taken. This SENIF should:

- Focus on children at the lower levels of SEND (not those with EHCPs)
- Support children attending settings in the county regardless of home address
- The value of the fund should consider the number of children with SEN in the local area, their level of need, and the overall capacity of the local childcare market to support these children.
- Local authorities should consult with early years providers to set the value of their local SENIF.
- Be established using funding from the early years block and/or the high needs block of their DSG allocation.
- Publish the eligibility criteria for the fund, the planned value of the fund at the start of the financial year, and the process for allocating the fund to providers in the Local Offer

- 3.3 In North Yorkshire, the SENIF available to settings for individuals is locally known as Early Years Element 2 funding and is available to all children taking up a funded place.
- 3.4 The Element 2 funding is currently fixed at £3,000 for 15 hours a week for each child, up to a maximum of £6,000 for 30 hours a week. The total spend in 2024-25 amounted to £1,088k.
- 3.5 **Table 5** below provides details of the number of early years children in receipt of Early Years Element 2 funding. This data includes both children in receipt of Element 2 funding only and children in receipt of Element 2 funding and EHCP funding. The data reflects the expansion of funded entitlements for the children of working parents from April 2024 and September 2024 for 2-year-olds and under 2-year-olds respectively.

Table 5: Early Years Children in receipt of EY Element 2 funding

Age	Spring term 2023	Summer term 2023	Autumn term 2023	Spring term 2024	Summer term 2024	Autumn term 2024	Spring term 2025	Summer term 2025
Number of Children In Receipt of Early Years Element 2 Funding								
Under 2	0	0	0	0	0	0	3	3
2	32	34	38	39	52	50	56	59
3/4	292	345	217	286	336	191	284	350
Total	324	379	255	325	388	241	343	412

4.0 DEPARTMENT FOR EDUCATION BENCHMARKING

- 4.1 Benchmarking analysis has been drawn from the DfE high needs benchmarking dataset – available to review on the DfE website. The advantages in deploying this dataset are that all local authorities complete it and there should be a reasonable degree of consistency in its completion.
- 4.2 Table 6 below shows how the North Yorkshire EHCP population compares with comparator groups for Yorkshire and the Humber, statistical neighbours and the England average.

Table 6: Number per 1,000 of 2 to 18 population with an EHCP and the placement of these pupils

	A) North Yorkshire 2024-25	B) England 2024-25	C) YORKSHIRE AND THE HUMBER 2024-25	D) Ten closest statistical neighbours of North Yorkshire 2024-25
Population	228,129	12,125,893	1,246,566	751,504
Number aged up to 25 with SEN statement or EHC plan	21.6	47.5	41.4	50.9

of these, placements in:				
Mainstream schools or academies	9.0	18.0	16.2	19.3
Resourced provision or SEN units	0.2	1.8	1.5	1.6
Maintained special schools or special academies	5.8	12.8	10.6	13.7
NMSS or independent schools	1.1	3.0	2.0	3.7
Hospital schools or alternative provision	0.1	0.4	0.6	0.4
Post 16	1.9	6.2	5.6	6.7
Other	3.4	5.2	5.0	5.5

- 4.3 The rate per 1,000 of the 2-18 population with an EHC Plan in a mainstream school is lower than all three comparators.

5.0 IMPACT ON HIGH NEEDS BLOCK FUNDING

- 5.1 The current allocated High Needs Block for North Yorkshire for 2025-26 amounts to £88.6 million; following adjustments, this is reduced to £76.4m in cash terms. The latest budget forecast for the 2025-26 High Needs Block expenditure is predicting an in-year deficit of £8m; this is a reduction on the projected £9.8m in-year deficit reported to the Schools Forum in March 2025. The latest budget forecast position is detailed in the table below:

High Needs Budget	2025-26 Budget	2025-26 Latest Forecast	Variance
	£k	£k	£k
High Needs Commissioning	78,802	77,405	(1,397)
Alternative Provision	1,783	1,621	(162)
Inclusion	1,786	1,951	165
Hubs & SEN Provision	3,383	2,951	(432)
Financial Support	54	54	0
DSG Overheads	420	420	0
Estimated Spending	86,228	84,402	(1,826)
Estimated Funding	76,355	76,433	78
Estimated In-year Deficit	9,873	7,969	(1,904)
Projected In-year Deficit	9,873	7,969	(1,904)
Projected Accumulated Deficit B/F	17,574	16,008	(1,566)
Projected Accumulated Deficit C/F	27,447	23,977	(3,470)

- 5.2 The High Needs Commissioning Budget amounts to £77m and can be further broken down to illustrate areas of deployment of funding

	£k	%
North Yorkshire Special Schools	21,762	28.1
Independent and Non-maintained Special Schools	18,876	24.4
North Yorkshire Mainstream School E3 Top-up Funding	12,646	16.3
Other Local Authority provision	3,773	4.9
Special Provision Institutions	3,137	4.1
PRU's	3,329	4.3
Pooled Budget	2,326	3.0
FE Colleges	3,353	4.3
Personalised Learning Pathways	2,562	3.3
Targeted Mainstream Provision	1,827	2.4
Early Years	1,267	1.6
Education Other Than at School (EOTAS)	1,283	1.7
Independent Learning Providers (ILP's)	1,039	1.3
Other	225	0.3
Total	77,405	100

- 5.3 The estimated financial pressure in 2025-26 is in the order of £8m. If confirmed, this will add to the accumulated High Needs Deficit built up from financial pressure in previous years, which already stands at £16m.
- 5.4 Demand predictions outlined in section 2 indicate that, other things being equal, the underlying financial pressure of £8m will grow in each of the next four financial years resulting in an underlying in-year financial pressure of £40m in 2028-29 and an accumulated deficit of c.£90-£100m. This is an unmitigated forecast and, if left unchecked, represents an unsustainable financial position.
- 5.5 A number of measures are being undertaken to try to mitigate the current underlying financial pressure. In total these measures could potentially reduce this accumulated pressure by c.£55m.
- 5.6 North Yorkshire is ranked 146th out of 151 local authorities in terms of High Needs Block revenue funding per head. North Yorkshire receives £797.56 per head (2-18 population) compared with Camden which receives £1,738.88 per head. Middlesbrough, as the sixteenth highest-funded local authority receives £1,262.40 per head. Lincolnshire County Council – which is similar to North Yorkshire in terms of population and geography - are funded 75th and are funded at £990.10 per head. If North Yorkshire were to be funded at this level, this would equate to an additional £21m per annum.

6.0 MITIGATING ACTIONS AND HIGH NEEDS IMPROVEMENT PROGRAMME

- 6.1 As reported to Schools Forum in March 2025, work is continuing on key workstreams within the High Needs Improvement programme including reviewing funding issues, continuing to develop provision, improving assessment processes and working with schools to develop inclusive education and a shared understanding and delivery of ordinarily available provision.

Block Transfer – from Schools Block to High Needs Block

- 6.2 The School funding paper indicates that the local authority will consult schools and academies in North Yorkshire on either a 0.5% or 1.0% block transfer for 2026-27. This request is based on the continued and increasing cost pressures on the High Needs Block in North Yorkshire, as detailed in section 5 above; the High Needs cumulative budget deficit is forecast to be c£24m by March 2026 and the deficit position is forecast to continue to escalate for future financial years. It is anticipated that Forum members – as leaders within the North Yorkshire school funding and SEND systems – will be asked to consider further block transfers on an annual basis, unless significant additional funding is announced by the DfE.

PROVISION

- 6.3 Part of the council's mitigations include investment in the development of new special school places and further targeted mainstream provisions, now totalling 17. These have been funded through an agreed Capital Investment Programme and further provisions are in the pipeline.
- 6.4 The focus of the capital investment programme has been on delivering additional place capacity. However, a secondary benefit to many of the schemes is through improvement in special school facilities. A number of the schemes have been prioritised to provide a more cost-effective local offer for children.
- 6.5 We are seeking consultation on revised delivery models to support children excluded from primary schools and those who cannot attend school.

7.0 PARTNERSHIP WORKING

- 7.1 Partnership arrangements are well-established in North Yorkshire with a SEND and AP Partnership Board which includes representatives from the local authority, schools and academies, Heath and Parent Carer Voice. North Yorkshire Schools Forum typically meets five times a year and receives regular reports on High Needs funding and related issues. This is augmented by a High Needs Funding sub-group that supports more detailed discussions around these important issues.
- 7.2 Locality Boards are currently operating in all localities comprising leaders from local schools, colleges and the LA to work in partnership to identify and address Inclusion priorities.

8.0 SPECIAL SCHOOLS and PRS

- 8.1 At this stage, the arrangements for the Minimum Funding Guarantee (MFG) for special schools for 2026-27 are still to be announced by the DfE. The LA will undertake a principle-based consultation with special schools and special academies to determine views in respect of the application of the MFG in the event of the DfE providing a maximum and minimum threshold.
- 8.2 Consideration will be given to E3 top-up funding levels for the 2026-27 financial year once the DfE have provided further information on the DSG funding levels for next financial year, and following the Schools Forum Block transfer recommendation in November 2025 when the anticipated overall quantum of funding for 2026-27 can be considered.

9.0 COMMISSIONED NUMBERS FOR SCHOOLS

- 9.1 Commissioned places in special schools and the Independent/Non-Maintained sector continue to rise.
- 9.2 In 2025 the council have commissioned 1,393 special school places from maintained and academy special schools in North Yorkshire. This is supplemented by a further 172 places commissioned from special schools in other Local Authority areas - it is expected that both of these figures will rise throughout the academic year. In total, that is an increase in special school places of 82% since 2018. The council continues to commission 169 secondary places within AP for the purpose of early support for those at risk of permanent exclusion as well as fulfilling the duty to provide full time education from day 6 of a permanent exclusion.
- 9.3 Places in the Independent Sector currently stand at 267 as of September 2025. Cost pressure will further increase whilst the local area partnership continues to utilise such a high volume of places in the independent sector.
- 9.4 A significant issue which further exacerbates the resource allocated to high-cost placements is the volume of children assessed as being band 6 and below taking places within local special schools. Currently there are 344 school-aged children at Band 6 and below in North Yorkshire special schools. Utilising specialist provision, rather than those children having their needs met in mainstream schools, is a significant factor in driving the increased use of high-cost independent special school places and therefore diverting resources away from the local schools.

10.0 SEND CAPITAL INVESTMENT PROGRAMME

- 10.1 The SEND Capital Investment Programme has been agreed in line with the priorities reported to the Forum in 2023-24 and delivery is well underway. These priorities were:
- Secure and develop additional specialist capacity for children with SEMH needs in the north of the county.

- Increase the availability of specialist places for children with Autism and who require a low stimulus environment and an academic curriculum and associated accreditation.
- Continue the development of Targeted Mainstream Provisions.
- Moderate investment in creating further capacity through existing special schools.
- Ensuring the Selby Free School is delivered by the Department for Education.

10.2 In order to address those priorities a programme totalling an estimated £20.5m was agreed. In 2025-26 a further allocation of HNPCA was announced with the council receiving £6.7m. Work is underway to review the capital programme taking into account the additional HNPCA and the national reforms to the SEND system expected to be announced by central government in the autumn.

10.3 The following schemes within the programme are progressing towards delivery:

- Selby Free School
- Harrogate Special School (Woodfield)
- Roll out of TMPs at Rossett School, St Martins CofE Primary and New Park Primary

The following provisions have been opened:

- Expansion of Springwater School
- Condition improvements at Welburn Hall School
- Dedicated 6th Form site for Brooklands School at the former Ings School site
- Roll out of TMPs at Cambrai, Dishforth Airfield, Norton Primary School, Barlby High, Riverside Primary and Brayton CofE Primary

11.0 CONCLUSIONS

11.1 The scale of the financial pressure facing the High Needs Block is significant and exceeds the High Needs Block Dedicated Schools Grant. Moving into 2025-26 and 2026-27, it is important that the systems leaders including schools, academies, health and the local authority work together to implement the identified mitigating actions to achieve a financially sustainable position.

11.2 The financial pressure is not unique to North Yorkshire and reflects the national trend. SEND trends and data point to further potential financial pressure, both in terms of increasing demands and deficit recovery. This financial pressure is anticipated to continue in 2025-26. The LA will continue to lobby for a fairer funding deal for schools and children with SEND.

12.0 RECOMMENDATIONS

12.1 That Schools Forum:

- Receive the report and notes the financial implications.

SIR STUART CARLTON

Corporate Director – Children and Young People’s Service