



Right Honourable Justine Greening MP  
Secretary of State for Education  
Department for Education  
Sanctuary Buildings  
Great Smith Street  
London  
SW1P 3BT

22 September 2016

Dear Secretary of State,

### **High Needs Spending Pressures**

In recent months quite a few members of f40 have raised concerns about the pressures they are experiencing on High Needs spending. These concerns were sufficient that f40 agreed to undertake some informal research to check the overall position.

We invited all forty one member authorities to tell us what specific pressures they are experiencing and twenty one responded, painting a very worrying position across the country. The attached spreadsheet presents in an easy to follow way the specific situation in each of the twenty one local authorities.

In a nutshell, it is clear that most authorities have a deficit in the High Needs block which is being filled either by the last of their reserves or movements from other blocks. The first stage Fair Funding consultation, held in March this year, implied that movement from other blocks will be unlikely in the future, so this is a big worry for the future and one that will have big implications for our most vulnerable pupils.

Other key findings were:

- There is an increase in numbers of pupils and costs for independent school places.
- There are increasing numbers of Post 16 places needed, but no additional funding in the High Needs Block to pay for them.
- There's an increased demand for Post-19 placements, with pupils then coming back into the High Needs Block system. Parental expectations that an EHCP automatically continues to age 25.
- Some LAs are seeing significant increases in the need for special school places. There is a view that there is banding creep, although it may be that less complex pupils are now staying in mainstream, placing more complex, more expensive pupils in special schools (with the knock on effect of higher funding to each school). This is not viewed as bad, but does introduce a pressure on the Higher Needs Block.
- More EHCPs are being requested as a result of recent changes to the system. The costs are massively increasing.
- Some LAs are experiencing difficulties in transition to EHCPs and management of annual review processes.
- There's an increased number of exclusions from school.
- Some LAs are seeing reduced social care contributions.

I do hope that you will take the time to examine this research in order to fully understand the scale and nature of the pressures that are being experienced by local authorities, and take it into consideration for the changes planned for the High Needs Block.

Yours sincerely

A handwritten signature in black ink that reads "Ivan Ould". The signature is written in a cursive style and is contained within a thin black rectangular border.

Ivan Ould  
Chair of f40  
(ivan.ould@leics.gov.uk)

The Secretary, f40 Group, C/o DTW, Bank Chambers, Market Place, GUISBOROUGH,  
TS14 6BN (doug@dtw.co.uk)