
High Needs Block (HNB) Impact of workstreams

Children and Young People's Scrutiny Commission

Decision to be taken by: Cllr Elaine Pantling
Assistant City Mayor for Education

Decision to be taken on/Date of meeting: 8th April 2025

Lead director: Sophie Maltby
Director of Education and SEND

Useful information

- Ward(s) affected:
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- Report version number: 1

1. Summary

- 1.1 Funding for Special Educational Needs and Disabilities is provided from the High Needs Block (HNB) of the Dedicated Schools Grant (DSG). At the end of 2023/24, Leicester City had a deficit budget in this area totalling £9.648m. There is a statutory override in place until April 2026 which allows the authority to exclude this deficit from the main revenue budgets.
- 1.2 This continues to be the picture across the country with high numbers of councils being in deficit within their HNF Block.
- 1.3 The Department for Education (DfE) requires Leicester City to submit their own plan of action to address the issues. This is the High Needs Management Recovery plan. (NB: Other authorities have been forced into government led initiatives to address their deficits such as the Safety Valve Programme and Delivering Better Value programme.)
- 1.4 The Transformation plan identifies aims and objectives of how the Local authority with partners will address the increasing deficit.
- 1.5 In Sept/Oct 2024 the High Needs Management Recovery plan and Transformation Plan were presented to political members to share with leaders the HNB status and aims to address the increasing deficit.
- 1.6 Despite the challenges of addressing the deficit in the HNF Block, Leicester City strives to provide effective, efficient, inclusive resources to support and meet its statutory duties in meeting the needs of a rising number of children with Special Educational Needs and Disability (SEND).

2. Recommended actions/decision

Review the progress of the Transformation plan aims

- Aim 1: New DfE Reforms – The SEND and AP Change Programme
- Aim 2: Developing Ordinarily Available offer: LA, Schools, Settings & Colleges
- Aim 3: Local Authority Process reforms & Sufficiency
- Aim 4: Increase confidence for parents and carers
- Aim 5: Placement reforms
- Aim 6: Stakeholder Engagement

3. Scrutiny / stakeholder engagement

- 3.1 A DSG Management Recovery Plan has been required by the Education and Skills Funding Agency (ESFA). They have received and scrutinised the plan and agreed to its content. An update meeting will be held in May 2025.

4. Background and options with supporting evidence

Providing support to our CYP with SEND in Leicester
 Leicester City remains committed to supporting CYP with SEND and has evaluated the SEND system at a local level in order to continue to be effective in providing this support.

4.1 Aim 1 – The Change Programme

The national Change Programme Partnership is a government led initiative that stems from the SEND Inquiry 2019 and has established a test and learn programme across a series of SEND reforms. Leicester City continues to be a part of this National Agenda to be at the forefront of change and new initiatives. The Change Programme has been extended by the new administration until March 26. Leicester City continues to be a part of that test and learn which is supporting our own development of SEND reforms at a Local Level. The work completed in the Change Programme has added to and supported the development of transformation project.

4.2 Transformation plan impact Sept 2024 – March 2025:

Aim 2 – Developing the Ordinarily Available offer & Aim 3 Local Processes and Sufficiency

4.2.1 The table below demonstrates the impact of the above workstreams in supporting the number of CYP entering the higher level aspect of the SEND system through the Education Health and Care Needs Assessment pathway (EHCNA). Leicester City endeavours to ensure the right support, in the right place at the right time. By giving careful consideration to those entering the EHCP pathway of support, this ensures there is sufficiency of resource to support those CYP with the most complex needs and in time will support the sufficiency of special school places.

4.2.2 The number of referrals for EHCNA has slowed as the local authority settings and schools have worked together to develop their Ordinarily Available offer for pupils with SEND needs to be supported in the mainstream. The schools offer is supported at a Local authority level by our SEND Support Services and short term non statutory funding. SENDSS Support services and SES have worked to evaluate and improve their systems and processes to ensure decision making across the SEND division is consistent, fair and equitable.

	Last year (Academic year 23/24)	This year Academic year 24/25 to 12/03/25)
Number of referrals for EHC requests received	922	455
Number of referrals accepted for assessment (EHCNA)*	595	230
Number of plans agreed	605	317
Number of parent requests	345	186
Parental requests as a % of total received	37.4%	40.8%

This is the total EHCP's started in the year from the EHCP completion data report

4.2.3 New guidance has been written for Teachers and SENDCos who provide information and advice for the EHCNA. It is anticipated that this will have further impact on

the consistency, quality of the EHCP, ensuring that the Code of practice is adhered to and EHCPs are issued when necessary.

4.2.4 Banding Descriptors have been written to support schools and advice givers in providing consistent approaches to the identification of SEND and provide guidance in the level of provision the CYP needs. This ensures equity and parity across the City.

4.2.5 A high area of spend within in the HNF Block is placements in Independent non-maintained special schools and Independent specialist providers. Through a series of process reforms the and the introduction of a new panel for decision making, there are now more robust measures in place, and more scrutiny for placing students outside of the authority.

4.2.6 There is a significant rise in pupils with Emotionally based school avoidance (EBSA) and a new pathway of support has been devised and approved to support these CYP.

4.3 Aim 4 Increase Parent Carer Confidence

4.3.1 Parent Carer Confidence in the SEND System continues to be a significant challenge across the country. In Leicester City 40% of applications for EHCNA are from parent/carers. The Local offer website is undergoing improvements to communicate our SEND offer more accessibly to parents. The Local offer Live event also provided an opportunity for Leicester City to demonstrate the high quality SEND offer.

4.3.2 Way forward Meetings with parents who are experiencing difficulties navigating the SEND system have been piloted and these have had positive outcomes.

4.3.3 Person Centred Reviews have been re-launched by SEND Support Services which put children and families are the centre of the annual review meeting and foster positive working relationships between parents and families.

4.4 Aim 5 Placement reforms and Sufficiency

4.4.1 Leicester City like many authorities continues to experience difficulty with sufficiency of special school places. A recent separate paper has been submitted to capture the issues around sufficiency and how Leicester City aims to support the CYP whilst these issues are being addressed.

4.4.2 The Designated Specialist Provision continues to develop in Leicester City with phase 2 coming to an end with two new Secondary DSPs opening in September 2025. A 20 place DSP aims to open at the City of Leicester College and a second 20 place provision at The Lancaster Academy. These two provisions will provide support for learners with Communication and Interaction needs.

4.5 – Stakeholder Engagement

4.5.1 High Needs Management Recovery plan and Transformation project has been presented to all Local Authority Services, Secondary Head Teachers, Primary Head Teachers, Sendcos, and School Business Managers. It has also been presented to Schools Forum (unions) and the Governor network. The SEND and AP Board meets monthly with colleagues from Health.

4.5.2 An update will be provided to the DFE in May 2025.

4.6 Risks and issues

4.6.1 The funding provided by central government remains inadequate despite increases in allocation to the HNF block. In 2025/26 Leicester City received an additional £6.420m (+6.87%) to its HNF block but this remains insufficient to support the level of demand. Whilst demand for Education Health Care Needs Assessment (EHCNA) is reducing and the number of EHCPs issued is reducing there is still a significant number of children in the system overall.

4.6.2. Parent carer requests for assessment is a high proportion of the number of requests we receive

4.6.3 The in-year deficit is still increasing because **demand** for high-cost placements is increasing

4.6.4 The **costs** of high-cost placements is increasing

4.6.5 The number of pupils requiring support in Post 16 is at its highest rate.

4.6.6 Time is required to truly demonstrate impact of the transformation plan.

4.6.7 Forecasting shows the in-year deficit will be higher for 2024/25 at 16.675m. The in-year deficit in 2025/26 due to increasing pupil numbers and cost inflation is forecast to be £23.715m. This gives a forecast cumulative deficit of over £50m by the end of 2025/26.

5. Financial, legal, equalities, climate emergency and other implications

5.1 Finance

Whilst the report outlines the work being done by the High Needs Block Recovery Plan and the SEND Transformation project, the number of children with SEND is expected to continue to grow.

The cumulative deficit brought forward at the end of 2023/24 is £9.648m. Forecasting shows the in-year deficit will be higher for 2024/25 at 16.675m. The in-year deficit in 2025/26 due to increasing pupil numbers and cost inflation is forecast to be £23.715m. This gives a forecast cumulative deficit of over £50m by the end of 2025/26.

The Government has allowed local authorities to exclude DSG deficits from their main revenue budgets as part of a statutory override, due to expire in March 2026.

Signed: Mohammed Irfan, Head of Finance

Dated: 24 March 2025

5.2 Legal implications

There are no direct legal implications arising out of the recommendation in the report.

Signed: Julia Slipper (Education & Employment) [Tel: ext 6855](tel:01162756855)

Dated: 28 March 2025

5.3 Equalities implications

Under the Equality Act 2010, public authorities have a Public Sector Equality Duty (PSED) which means that, in carrying out their functions, they have a statutory duty to pay due regard to the need to eliminate unlawful discrimination, harassment and victimisation, to advance equality of opportunity between people who share a protected characteristic and those who don't and to foster good relations between people who share a protected characteristic and those who don't.

Protected Characteristics under the Equality Act 2010 are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

High needs funding supports provision for pupils and students with SEND who require additional resources to participate in education and learning and to ensure equality and equity of opportunity for all children and young people irrespective of their need. The number of children with SEND is expected to continue to grow. The report outlines the work being done by the High Needs Block Recovery Plan and the SEND Transformation project, Children with SEND and their families are also often reliant on support from other public services, in particular health and social care. Initiatives that improve in meeting the needs of a rising number of children with Special Educational Needs and Disability (SEND) should lead to positive impacts. The most relevant protected characteristics being age and disability. Local authorities must ensure that children and young people and their parents/carers are involved in discussions and decisions about their individual support and local provision, in line with their statutory duties. Similarly, local authorities must ensure any changes to SEND provision and high needs funding arrangements are made in close consultation and co-production with the schools and colleges which will be affected. Any engagement must be fair and accessible.

Signed: Equalities Officer, Surinder Singh, Ext 37 4148

Dated: 27 March 2025

5.4 Climate implications

Transport generates around a third of Leicester's carbon emissions, so wherever pupils' needs can be met locally, this helps minimise the emissions. The approach outlined in the report, which includes seeking to provide appropriate support in mainstream school settings, should help to reduce emissions from journeys to school by reducing journeys to special schools which, on average, will tend to be further away.

Signed: Duncan Bell, Change Manager (Climate Emergency). Ext. 37 2249

Dated: 26th March 2025

6. Background information and other papers:



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7. Summary of appendices:

8. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?

9. Is this a “key decision”? If so, why?