



Special educational needs & disabilities in England

How we got to crisis point, and why we need reform of the system

November 2025

About



At the County Councils Network (CCN) one of our core objectives as a national representative body is to deliver insights on the policy issues impacting our member councils, the communities they represent, and the wider local government sector.

CCN Analysis seeks to provide the latest data analysis on local economies, service demand, council finances, and the wider public sector landscape, both within county areas and across England.

It contains commentary on what the latest trends mean for national and local policy making, and the implications for public services, businesses, and communities across our 38 member council areas.

Analysis contained in this document draws on extensive analysis by Isos Partnership of the latest nationally available SEND and education data, alongside the findings of a detailed financial survey conducted in conjunction with the Society of County Treasurers (SCT) and Association of Local Authority Treasurers Societies (ALATS).



Isos Partnership is a research and advisory company that supports the public sector to improve outcomes, working at every stage of the policy-making and delivery process. They have in-depth experience of developing policy and strategy, solving delivery problems, undertaking national evaluations and completing insightful research on a range of topics including education, local government, special educational needs inclusion and children's services.

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A crisis in SEND?

WHEN PEOPLE DESCRIBE A “CRISIS” IN THE SEND SYSTEM IN ENGLAND, THEY ARE ESSENTIALLY MAKING A SHORTHAND REFERENCE TO FOUR KEY FACTS:

1

There are many more children and young people than ever before in England being identified as having SEND.

2

There are more children and young people than ever before whose needs are not being met in their local mainstream school and who require special provision.

3

More money than ever before is being invested in SEND, but even that is very significantly less than what is actually being spent by education settings, local government and health services.

4

Despite that rapidly rising expenditure, on average, outcomes for children and young people with SEND have not improved and neither has the overall satisfaction of families.

This is what Isos Partnership wrote in their research report in the summer of 2024 to describe the scale of challenge facing the SEND system in England.

JUST OVER A YEAR ON FROM THE PUBLICATION OF THAT RESEARCH, THE DATA TELLS US THAT, AGAINST THESE MEASURES, THE SYSTEM IS NOT GETTING BETTER. IN FACT, IN MANY WAYS, IT IS GETTING WORSE.

Executive Summary

BACKGROUND

The challenges facing the system of Special Educational Needs and Disabilities (SEND) in England have never been further to the forefront of public policy debate.

Last year, the County Councils Network (CCN), in conjunction with the Local Government Association (LGA), commissioned Isos Partnership to conduct independent research into what it would take to create an approach to SEND in England that was both effective and sustainable.

Ahead of the government publishing its plans for reform, CCN has worked with Isos Partnership to update the evidence base that underpinned our 2024 report.

Using the most up-to-date data, this report seeks to explain the current state of SEND services and associated finances in England, alongside providing projections on how demand and spending on services may evolve over the remainder of this parliament.

KEY FINDINGS

PART 1: DEMAND FOR SUPPORT

“ **There are many more children and young people than ever before in England being identified as having SEND** ”

- The latest published data shows that the number of children and young people with EHCPs increased by 11.5% between 2023/24 and 2024/25, which is the largest single year increase since 2016/17.
- This analysis predicts that there may be as many as 840,000 children and young people in England with EHCPs by 2028/29. This would equate to 4.7% of the current birth to 25 population – almost 1 in every 20 children and young people.

- The proportion of the school population with identified SEND has increased from 18.4% last year to 19.6% this year. We can estimate that there are now at least 675,000 more children and young people with identified SEND in England than there were in 2015/16.
- As of 2024/25, 45% (288,000) of all EHCPs started at the ages of 4 and 5 or 10 and 11 as these children transitioned between education settings. Around a third of all children and young people with EHCPs now have held them for seven years or more.
- Autism and other neurodiverse needs (ASD), social emotional and mental health needs (SEMH) and speech language and communication needs (SLCN) account for 70% of all children and young people with EHCPs currently in schools in England, as well as a staggering 88% of the growth in EHCPs between 2015/16 and today. Looking at just the last year, speech language and communication was the fastest growing area of need with an 18% increase in a single year.

POLICY IMPLICATIONS

“ **A level of demand with which the system was never designed to cope** ”

Demand for services continues to rise exponentially, and, far from slowing down, the rate of increase in children and young people with EHCPs is speeding up.

This is a level of demand with which the system was never designed to cope, and as such, parents are facing an adversarial system in which they feel they have to battle relentlessly to get assessment and support for their child's educational needs.

The analysis in the report shows that the basic educational needs of this generation of children are fundamentally changing and urgently points to the need to do more to support children, families, and schools to thrive in their learning without recourse to a statutory plan.

PART 2: PLACEMENTS & PROVISION

“ There are more children and young people than ever before whose needs are not being met in their local mainstream school and who require special, or other, provision

- In recent years the number of children and young people with EHCPs in mainstream schools has actually risen more quickly than the numbers in the state-funded special sector. This is not because demand for special schools has abated, but due to the severe shortage of capacity in state-funded special schools.
- There are now around 194,000 pupils in special schools in England, the highest number ever, compared with 109,000 in 2014/15. In 2024 there were over 6,500 more children and young people in state-funded special schools than the designated number of places available. In 2023/24 83% of state-funded special schools were either full or over-capacity.
- There has been rapid growth in the use of independent and non-maintained special schools (INMSS), the use of which grew by 14% in the last year (outstripping the growth in the number of children and young people with EHCPs overall). There are now 34,000 children in these placements, an increase of 165% since 2015.
- Some one in ten of children with an EHCP are now educated outside of school or college in alternative provision; at home; are NEET; or waiting for a placement.

- The profile of children and young people in special schools is heavily skewed by both age and gender. Some 72% of pupils in special schools are male, and 53% are between the ages of 11 and 15.

POLICY IMPLICATIONS

“ A system failing to deliver inclusive education for SEND children

With the system buckling under the strain of increasing demand and confrontation, schools are finding it increasingly difficult to deliver support for the complex needs of SEND children within the present regulatory and funding environment of the education system.

The needs of too many children and young people with SEND are not being met effectively in mainstream schools, which has implications for their future achievements in learning and work. At the same time the sheer weight of demand for specialist placements means that more and more children are facing longer and longer waits.

PART 3: COSTS & SPENDING

“ More money than ever before is being invested in SEND, but even that is very significantly less than what is actually being spent by education, councils, and health services

- Isos Partnership's previous report showed government spending on SEND was on course to treble by 2026. But this latest financial analysis shows that spending is accelerating at an even faster pace. High needs expenditure is predicted to have already reached £12.2bn in 2024/25, with this set to escalate to £16.8bn by the end of the parliament.

- Demand for EHCPs alone is not the only factor driving increased expenditure, but the over-reliance on higher costs placements and special provision. Unless policy changes are made to reduce the need for placements in the special school sector, councils are projected to be spending £8.9bn on these placements by 2028/29 – over 70% of all placement costs.
- Alarming, money is also being withdrawn from children in the mainstream school system in order to support overspending for SEND – with an estimated £150m being transferred in the last financial year.
- Councils are already overspending on SEND to the tune of £2bn in 2024/25, with the cumulative deficit currently standing £4bn. By the end of the parliament, annual overspends are predicted to rise to £4.4bn, pushing the cumulative ‘black hole’ to £17.8bn.
- These deficits are already having real-world financial impacts on council finances, with lost revenue from interest costing councils £326m next year, rising to almost £1bn by the end of the parliament. This is money that otherwise could be used on more effective services for children and young people and is a massive opportunity cost to the system.

POLICY IMPLICATIONS

“ **A system that has become financially unsustainable**

Disproportionate spending on specialist provision risks exacerbating a vicious cycle where a lack of resources for mainstream schools to support lower-level needs leads to even more children and their families seeking additional assessment and help for their needs outside of mainstream settings.

With cumulative deficits projected to hit a staggering £17.8bn by the end of this parliament it is clear the system has already become financially unsustainable and threatens to collapse without major reform and intervention.

PART 4: EDUCATIONAL OUTCOMES

“ **Despite that rapidly rising expenditure outcomes for children and young people with SEND have not improved and neither has the overall satisfaction of families.**

- The percentage of GCSE students with EHCPs achieving Attainment 8 in 2025 is 14% – roughly the same as in 2019 and lower than the number achieving Attainment 8 in 2021.
- In addition, the percentage of 19 year olds with EHCPs who attained Level 2 (equivalent to five GCSEs) is 30% – a decline from 37% of young people a decade ago. In the last two years the gap between the percentage of young people with EHCPs achieving level 2 at 19 compared to those with no identified SEND (Figure 25), at 59 percentage points, has been its highest ever.
- In the last year alone the number of appeals to SEND tribunals grew by 55%, demonstrating an increasingly contentious system, where satisfaction is falling and trust is being eroded.

POLICY IMPLICATIONS

“ **A system that isn’t delivering better outcomes despite record expenditure**

If the increased identification of need, the rising numbers of children and young people in specialist provision, and the increased investment and expenditure had led to a transformation in outcomes for children and young people with SEND then these rising costs might be seen as a price worth paying. But it has not.

It must be concluded that, nationally, over the last decade £30 billion has been invested over and above the 2015/16 baseline in supporting children and young people with SEND and it has not appreciably made their life chances any better.

PROMISES OF REFORM TO MEND A 'BROKEN' SYSTEM

The government itself has accepted that the system is 'broken' and is not working for families, children, schools or councils. Proposals for reform were initially expected in spring 2025, but that March it was revealed that a Schools White Paper containing these would be published later in the year. However, in October 2025 a further delay to the publication of these reforms was confirmed, with the Schools White Paper now set to be released early in 2026.

The government has indicated reforms will be focused on ensuring mainstream schools are more inclusive, enabling more children with SEND to thrive with their peers, and focusing provision within special schools on those with the most complex needs.

In confirming the most recent delay to the proposals, the government outlined five principles that will underpin their approach – **early** intervention; **local** provision; **fair** legal requirements and safeguards for children and parents; **effective** evidence-based practices; and **shared** responsibility and partnership working.

Promises of reform come alongside commitments to provide a solution to historic SEND deficits. Earlier this year the government extended the statutory override by a further two years to March 2028, but have committed to further action at the Local Government Provisional Settlement this winter.

REFORM MUST TACKLE THE ROOT CAUSES BEYOND INCLUSIVITY

Given the findings of this report, the emphasis on inclusion and investment in mainstream settings by the present government is to be strongly welcomed.

However, while a more inclusive system of mainstream education is the essential and necessary foundation for SEND reform, this alone will not deliver the lasting and fundamental change needed to address the root challenges within the system.

The principles underpinning the government's approach contained in the recent letter to the Education Select Committee are the right and necessary foundations for reform. But this must now be translated into detailed and far-reaching proposals.

As a first step, CCN has been clear that the Treasury must set out a programme of government-led debt write-offs for existing accumulated deficits as soon as possible. This should include compensating those authorities who invested hundreds of millions in local reserves through safety value arrangements.

But deficit write-off in the absence of fundamental reform, or a significant increase in core funding, will be inadequate.

Even if the estimated £6.6bn of accumulated deficits by March 2026 was written-off by government, our analysis shows that councils would simply continue to outspend their budgets and reaccumulate further deficits – with the in-year difference between funding and costs reaching £4.4bn by 2029.

In CCN's **Manifesto for Counties**, published ahead of the General Election, our network was clear that the new government must grasp the nettle and set out comprehensive reform to SEND services from the bottom up.

Alongside supporting mainstream schools to be more inclusive, this included proposals for resetting the vision of the SEND system; legislative changes to the Children and Families Act 2014 and associated guidance to focus statutory plans on those most in need; reforms to tribunals; reforming the role of statutory partners; and increasing specialist school places for those that need them.

In their report last year, Isos Partnership set out detailed independent recommendations for consideration by government that would, over time, seek to achieve this.

This type of far-reaching reform is not only necessary to improve outcomes for those with special needs, but also to ensure the financial sustainability of local government.

WORKING IN PARTNERSHIP TO DELIVER LASTING REFORM

Complex reforms to the SEND and education systems will take time to test and implement, including the necessary legislative changes that are required to underpin reform. CCN also fully recognises that it will be necessary for a phased transition to any new system.

While CCN was deeply disappointed by the most recent delay to the publication of the reforms, we understand the need for the government to undertake wide-ranging engagement with all stakeholders involved in the system, including parents and Members of Parliament.

Nonetheless, continued inaction only increases the missed opportunities and negative experiences for children and their families. Assertive, fundamental and wide-ranging reform is both inevitable and necessary – it cannot be ignored any further.

As the government engages further and finalises its proposals, this report has outlined the systemic challenges facing the SEND system, but also the necessary steps that now must be taken.

CCN now want to work with government, parents, representative groups, and wider partners to urgently take these reforms forward and transform the life-chances of all children and young people.

Introduction

The challenges facing the system of Special Educational Needs and Disabilities (SEND) in England have never been further to the forefront of public policy debate.

The reforms to the provision of SEND services instituted a decade ago in the Children and Families Act 2014 were developed with the best of intentions, with the aim of ensuring the families of children with SEND were able to work more closely in partnership with public services in schools, councils, and the health system to make sure these needs were met appropriately.

However, despite these good intentions, it is widely acknowledged that the SEND system in England is in crisis.

Last year, the County Councils Network (CCN), in conjunction with the Local Government Association (LGA), commissioned Isos Partnership to conduct independent research into what it would take to create an approach to SEND in England that was both effective and sustainable.

This study included drawing on extensive data-driven analysis and engagement with stakeholders to analyse the state of the SEND system. The resulting report, *Towards an effective and financially sustainable approach to SEND*,¹ was the most comprehensive study to date, showing how the SEND system is no longer working for any of the stakeholders engaged with it, be they children with SEND, parents, schools, or councils.

The thrust of these findings has been reinforced by subsequent reports over the last 12 months from the National Audit Office,² the Public Accounts Committee,³ the Education Select Committee,⁴ and, most recently, The Institute for Fiscal Studies.⁵ All are agreed that the system is in crisis and urgent need of reform.

Most importantly, the government itself has accepted that the system is 'broken' and is not working for families, children, schools or councils. Ministers have promised wide-ranging and fundamental reform of the system. However, they recently announced a further delay to the publication of their reforms, confirming that the Schools White Paper will now not be published until early next year.⁶

Ahead of the government publishing its plans for reform, CCN has worked with Isos Partnership to update the evidence base that underpinned our 2024 report.

This draws on an extensive analysis of the latest nationally available SEND and education data, alongside the findings of a detailed financial survey conducted in conjunction with the Society of County Treasurers (SCT) and Association of Local Authority Treasurers Societies (ALATS). This survey received almost 100 responses, with the findings scaled to a national scale.

Appendix 1 provides details of the survey, including the approach to aggregating responses and methodology for projections. Within the main report the findings are presented predominantly at a national level, with some local authority level comparisons. Appendix 3 provides a further breakdown by local authority type across some key areas of financial analysis.

Using the most up-to-date data, this report seeks to explain the current state of SEND services and associated finances in England, alongside providing projections on how demand and spending on services may evolve over the remainder of this parliament.

The aim of publishing this research at this point is to ground stakeholders' forthcoming engagement with government reforms in the latest insights into the realities of the system that children, parents, schools, and councils are grappling with day-to-day, right across the country. Crucially, it demonstrates the potential consequences if fundamental reforms are not enacted.

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PART 1: **DEMAND FOR** **SUPPORT**

“ There are many more children and young people than ever before in England being identified as having SEND

THERE ARE MANY MORE CHILDREN AND YOUNG PEOPLE THAN EVER BEFORE IN ENGLAND BEING IDENTIFIED AS HAVING SEND

The stand-out feature of the SEND system, since the reforms of 2014, has been the very rapid increase in the number of children and young people with Education Health and Care Plans (EHCPs).

The latest published data shows that the number of children and young people with EHCPs increased by 11.5% between 2023/24 and 2024/25, which is the largest single year increase since 2016/17.⁷ This suggests that, far from slowing down, the rate of increase in children and young people with EHCPs is speeding up.

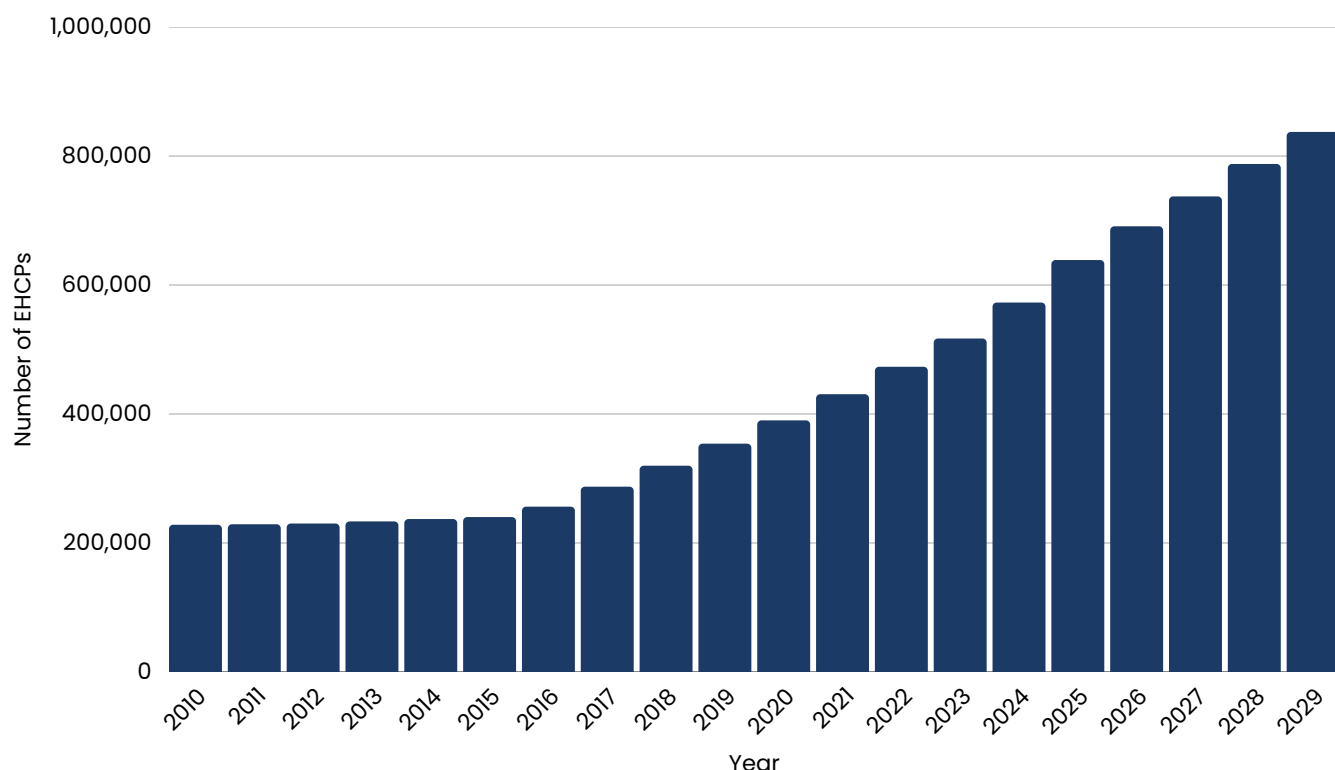
The increase in the numbers of children with EHCPs has significantly outstripped any underlying rise in the 0 to 25 population.

In 2014, before the SEND reforms were introduced, 1.4% of children and young people aged 0 to 25 had statements of SEND (the precursor to EHCPs). This figure has now risen to 3.6% of the birth to 25 population having EHCPs, up from 3.3% last year.⁸

Through SCT/ALATS' survey, local authorities were asked to project forward the number of children and young people in their local area that they predicted would have EHCPs from 2025/26 to 2028/29. The responses, scaled up to be representative of the national picture, suggest that by 2028/29 there may be as many as 840,000 children and young people in England with EHCPs.⁹

This would equate to 4.7% of the current birth to 25 population – almost 1 in every 20 children and young people. This is a level of demand for which the current SEND system was never designed.

Figure 1 - Number of children and young people with EHCPs (actual to 2025 and projected to 2029). Education, health and care plans, 2025, DfE and survey responses.



A very similar picture emerges of changing levels of need in England's schools. The latest published school census data shows that the number of children and young people with EHCPs has increased by 11% in the last year, and the number of children and young people requiring SEND support has increased by 4%. This is shown in Figure 2.

Overall, the proportion of the school population with identified SEND has increased from 18.4% last year to 19.6% this year. We can estimate that there are now at least 675,000 more children and young people with identified SEND in England than there were in 2015/16.¹⁰

While there continues to be a wide range in both the percentage of children and young people with EHCPs and the rate of growth between different local areas, this continues to be a phenomenon that affects every part of the country.

There are only eleven local authorities nationally where the growth in EHCPs over the period has been less than 100% and in all but three local authorities rates of EHCPs are more than 2% of the population, as can be seen in Figure 3 below. It is important to note that rates of EHCPs do not appear to correlate with either deprivation or the size of the population (See Figures 28 and 29 in Appendix 2).

Figure 2 - Growth in EHCPs and SEN Support in England's schools 2015/16 to 2024/25. DfE 2025.

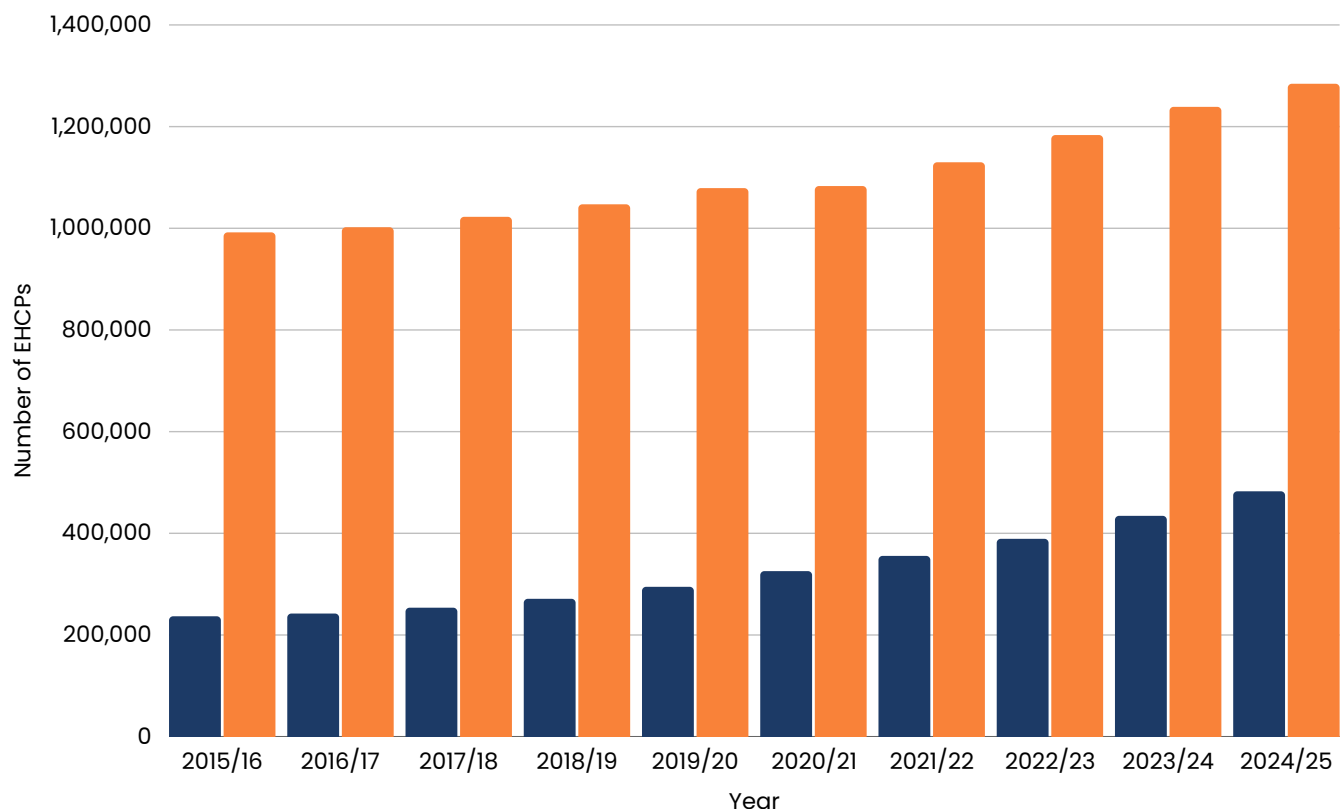


Figure 3 – Distribution of local authorities according to the increase in EHCPs between 2014-15 and 2024-25 and the percentage of the 0-25 population with EHCPs. Education, health and care plans, 2025, DfE; Population estimates for England and Wales, mid-2024 ONS.*

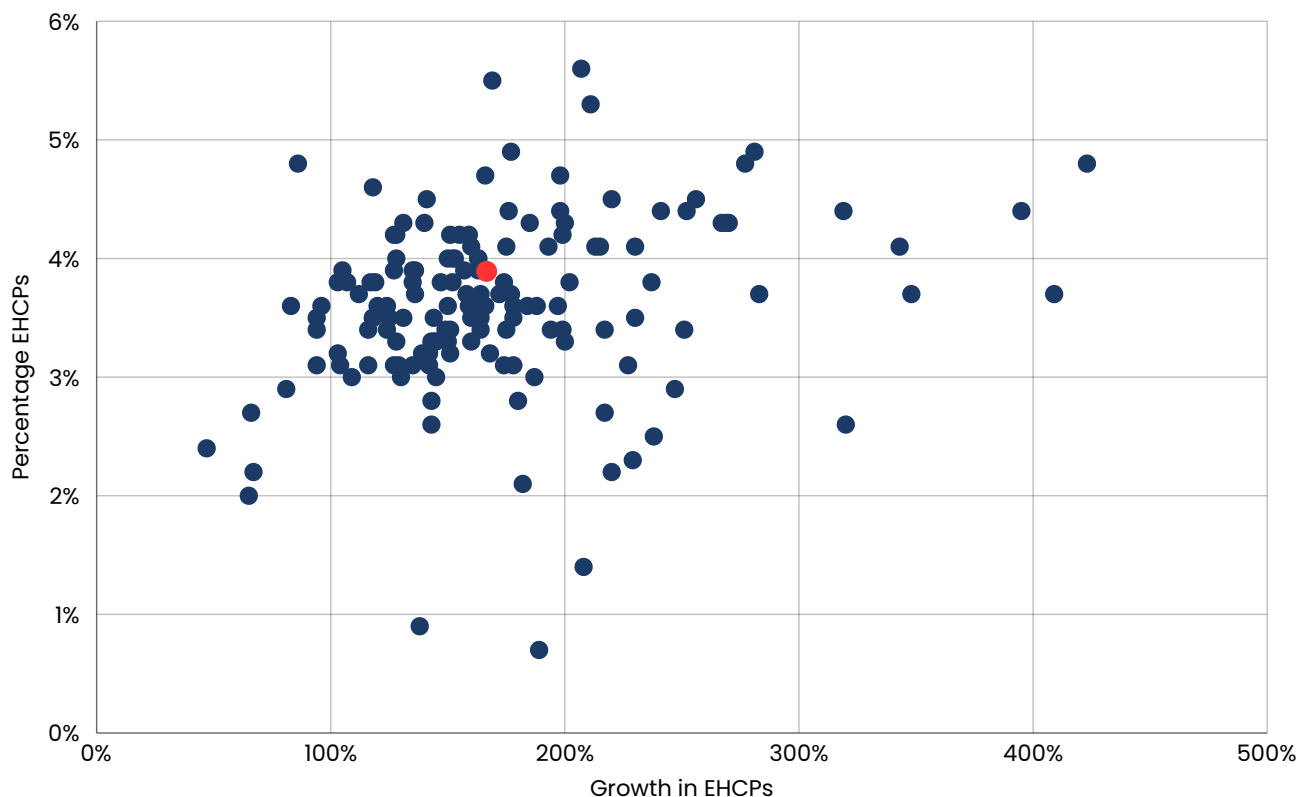


Table 1 shows the percentage of children and young people with EHCPs and the growth in numbers of children and young people with EHCPs split by type of local authority. This suggests that in 2024/25 rates of EHCPs are highest in CCN councils, and that the percentage growth over the last decade has also been more rapid in these councils. However, all types of council are seeing high levels of need combined with rapid growth.

Table 1: Percentage of and growth in EHCPs by local authority type. Education, health and care plans, 2025, DfE; Population estimates for England and Wales, mid 2014 and mid-2024 ONS; survey returns.

LA Type	Percentage of 0-25 population with EHCPs in 2014/15	Percentage in 2024/25	Percentage growth in EHCPs 2014/15 to 2024/25	Projected percentage of population with EHCPs 2028/29
Metropolitan Borough	1.34%	3.50%	161%	3.94%
London Borough	1.45%	3.38%	134%	4.10%
Non-CCN unitary LA	1.36%	3.40%	150%	4.61%
County & CCN Unitary	1.41%	3.79%	168%	5.25%
England	1.39%	3.58%	166%	4.69%

*This analysis excludes a small number of authorities which, due to LGR changes, could not be compared between 2014-15 and 2024-25

Additional data has been published this year which provides important information on the age at which EHCP plans are issued and the number of years for which they are held. Figure 4 shows that the most common points in a child's education journey when an EHCP might be issued are starting reception and on transition from primary school to secondary school.

As of 2024/25, 45% (288,000) of all ECHPs started at the ages of 4 and 5 or 10 and 11 as these children transitioned between education settings.

The very large majority of those children who are issued with an EHCP at the age of four will continue to hold that plan for the remainder of their time in education, in many cases up to the age of 25.

Indeed, this year's data (Figure 5) shows that around a third of all children and young people with ECHPs now have held them for seven years or more.

Figure 4 - Age when ECHP started for 2024/25 cohort of children and young people with ECHPs. Education, health and care plans, 2025, DfE.

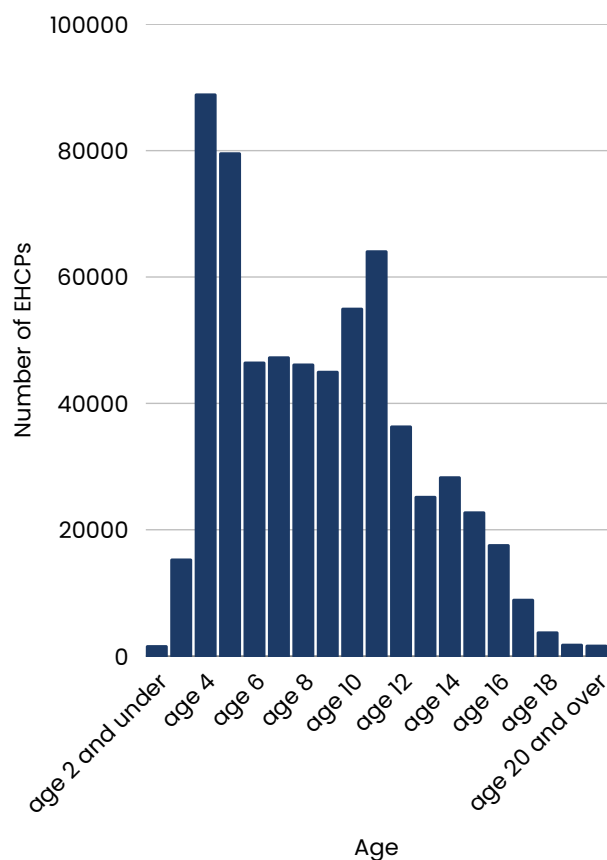
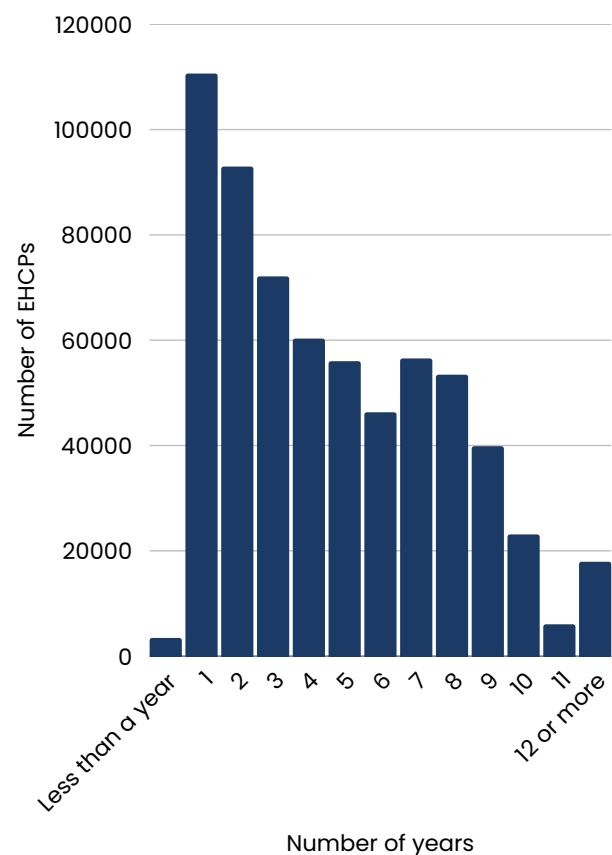


Figure 5 - Number of years ECHPs have been held (2024/25 caseload). Education, health and care plans, 2025, DfE.



As was highlighted in the research last year, when we talk about a rapid increase in special educational needs, we are really talking about a rapid increase in three types of need – autism and other neurodiverse needs (ASD), social emotional and mental health needs (SEMH) and speech language and communication needs (SLCN).

Between them, these three types of need account for 70% of all children and young people with EHCPs currently in schools in England, and a staggering 88% of the growth in EHCPs between 2015/16 and today. Looking at just the last year, speech language and communication was the fastest growing area of need with an 18% increase in a single year.

Figure 6 - Growth in the number of pupils with EHCPs by primary need. Special Educational Needs in England, Academic year 2024/25, DfE.

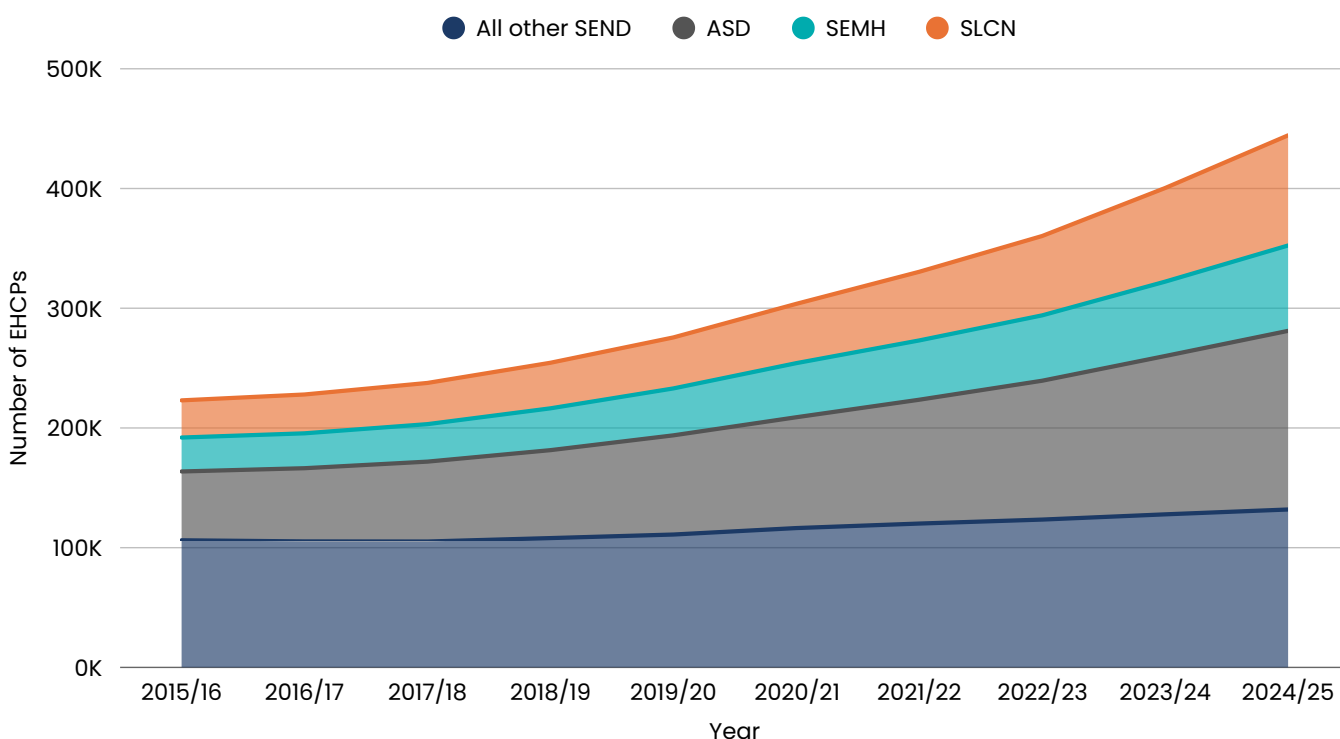


Table 2 - Growth in the number of pupils with EHCPs by primary need (selected years). Special Educational Needs in England, Academic year 2024/25, DfE.

ECHP primary need	2015/16	2018/19	2021/22	2023/24	2024/25
All other SEND	106,176	108,013	120,152	127,840	131,894
ASD	57,474	73,450	103,429	132,249	149,217
SEMH	28,344	34,922	49,525	62,125	71,304
SLCN	31,045	38,070	57,341	78,199	92,004

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PART 2: **PLACEMENTS & PROVISION**

“ There are more children and young people than ever before whose needs are not being met in their local mainstream school and who require special, or other, provision

THERE ARE MORE CHILDREN AND YOUNG PEOPLE THAN EVER BEFORE WHOSE NEEDS ARE NOT BEING MET IN THEIR LOCAL MAINSTREAM SCHOOL AND WHO REQUIRE SPECIAL, OR OTHER, PROVISION

In the last year, the number of children and young people with EHCPs in state-funded special schools has increased by 4,800 and the number in independent and non-maintained special schools has increased by 4,200. There are now around 194,000 pupils in special schools in England, the highest number ever, compared with 109,000 in 2014/15.

However, as Figure 7 demonstrates, in recent years the number of children and young people with EHCPs in mainstream schools has actually risen more quickly than the numbers in the state-funded special sector.

This is not because demand for special schools has abated, but due to the severe shortage of capacity in state-funded special schools. Published data shows that nationally, in 2024, there were over 6,500 more children and young people in state-funded special schools than the designated number of places available – as a system the special school sector is over-capacity by about 4%. This situation has become more acute since last year when there were around 4,000 more children and young people in special schools than there were designated places. The same data shows that in 2023/24, 83% of state-funded special schools were either full, or over-capacity.

Table 3 – Special school places and numbers on roll.
School capacity, academic year 2023/24, DfE.

	2022/23	2023/24
Special school places	147,887	153,462
Pupils on roll	151,887	160,036
Children in special schools in excess of places	4,000	6,574
Percentage over roll	3%	4%

Figure 7 – Placement of children and young people with EHCPs in mainstream schools and units versus special schools.
Education, health and care plans, 2025, DfE.

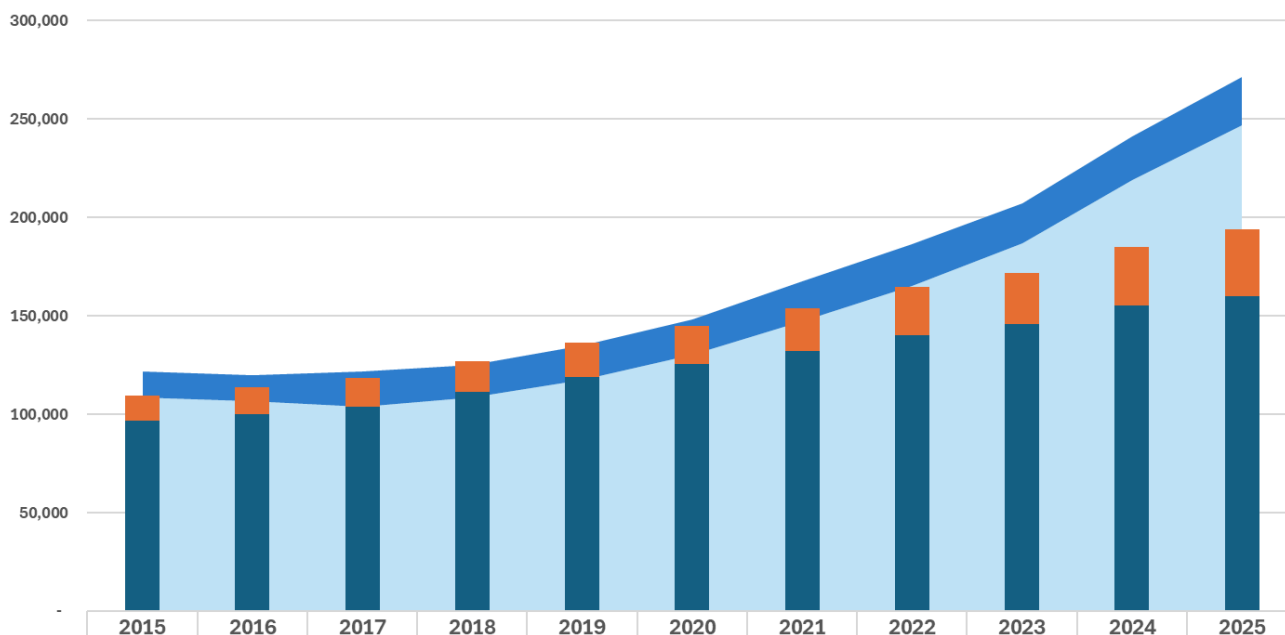


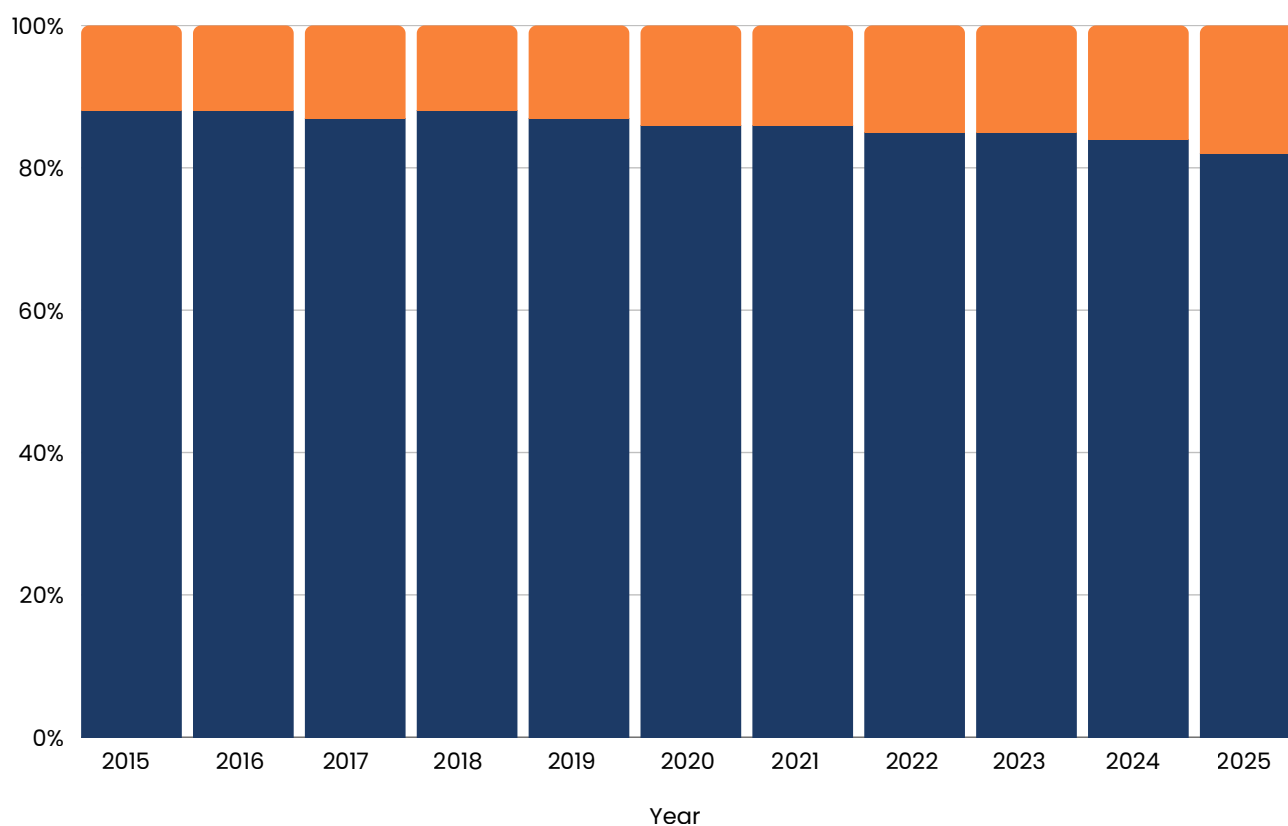
Table 4 – Placement of children and young people with EHCPs (selected years).
Education, health and care plans, 2025, DfE.

Placement	2015	2018	2021	2024	2025
State-funded special	96,655	111,387	132,131	155,045	159,852
INMSS	12,827	15,483	21,746	29,802	34,028
Mainstream schools	108,640	108,615	147,004	219,012	246,538
Units	13,129	16,271	20,464	22,236	24,524

This also helps to explain a second phenomenon that can be observed in the data, and that is the rapid growth in the use of independent and non-maintained special schools (INMSS), the use of which grew by 14% in the last year (outstripping the growth in the number of children and young people with EHCPs overall).¹¹

While the use of the special school sector as a whole has been growing over the last decade, the proportion of all pupils in special schools that are educated in the independent and non-maintained sector has also been growing – from 12% of all those in special schools in 2015 to 18% in 2024-25.

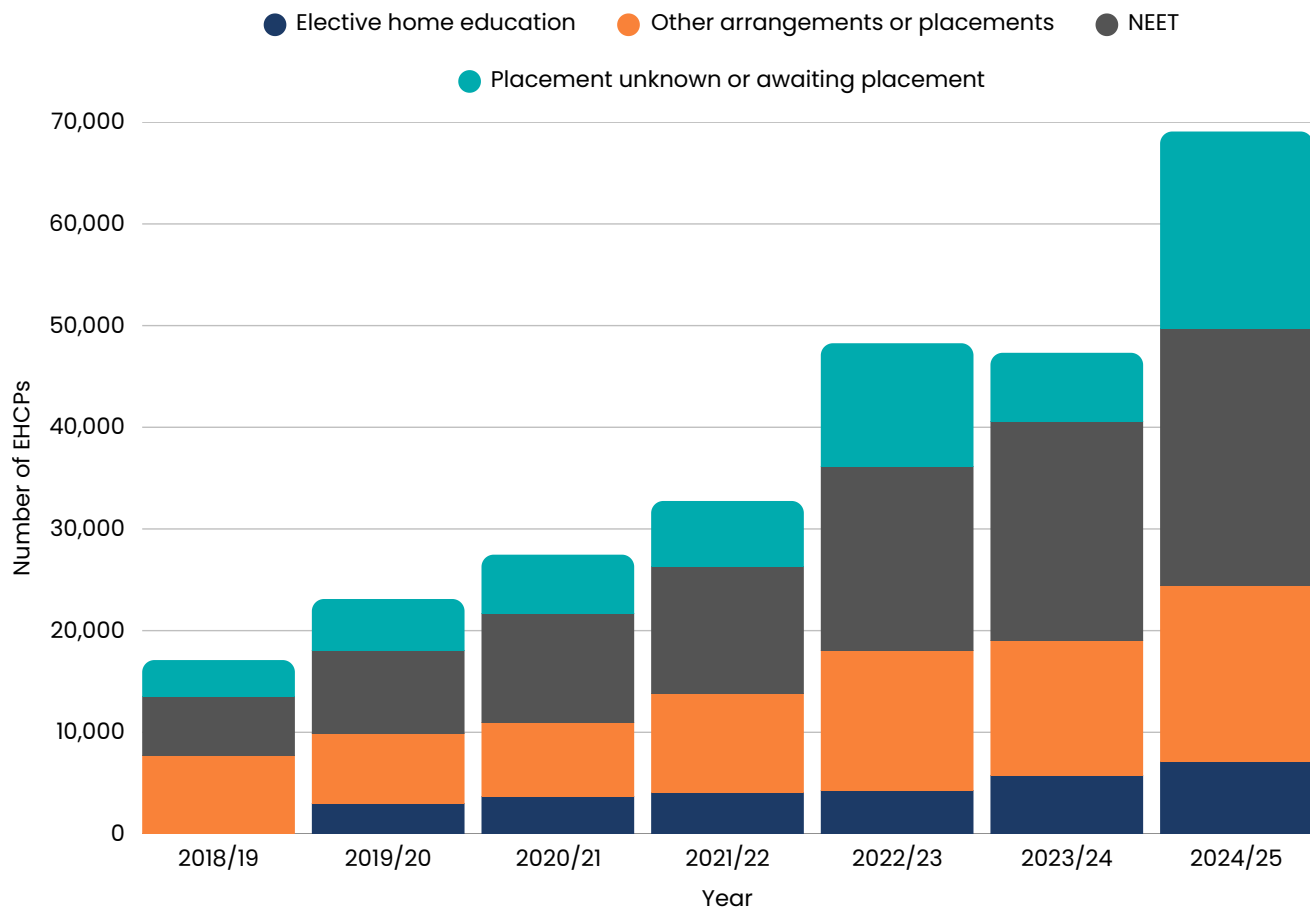
Figure 8 – Change over time in the balance between state-funded and INMSS provision within the special school sector.
Education, health and care plans, 2025, DfE.



A third worrying trend that speaks to the pressure on placements in the system, is the growth in children and young people with EHCPs being educated in placements that are neither schools, colleges, nor alternative provision, but are instead electively home-educated; 'Not in Education, Employment or Training' (NEET); or are waiting for a placement.

This has been growing incrementally, from around 5% of all children and young people with EHCPs in 2018 to 11% last year. The increase was particularly pronounced last year with around 4,000 more children and young people in "other arrangements"; an additional 3,800 NEET; and a further 12,600 "waiting for a placement/ placement unknown" compared with 12 months ago.

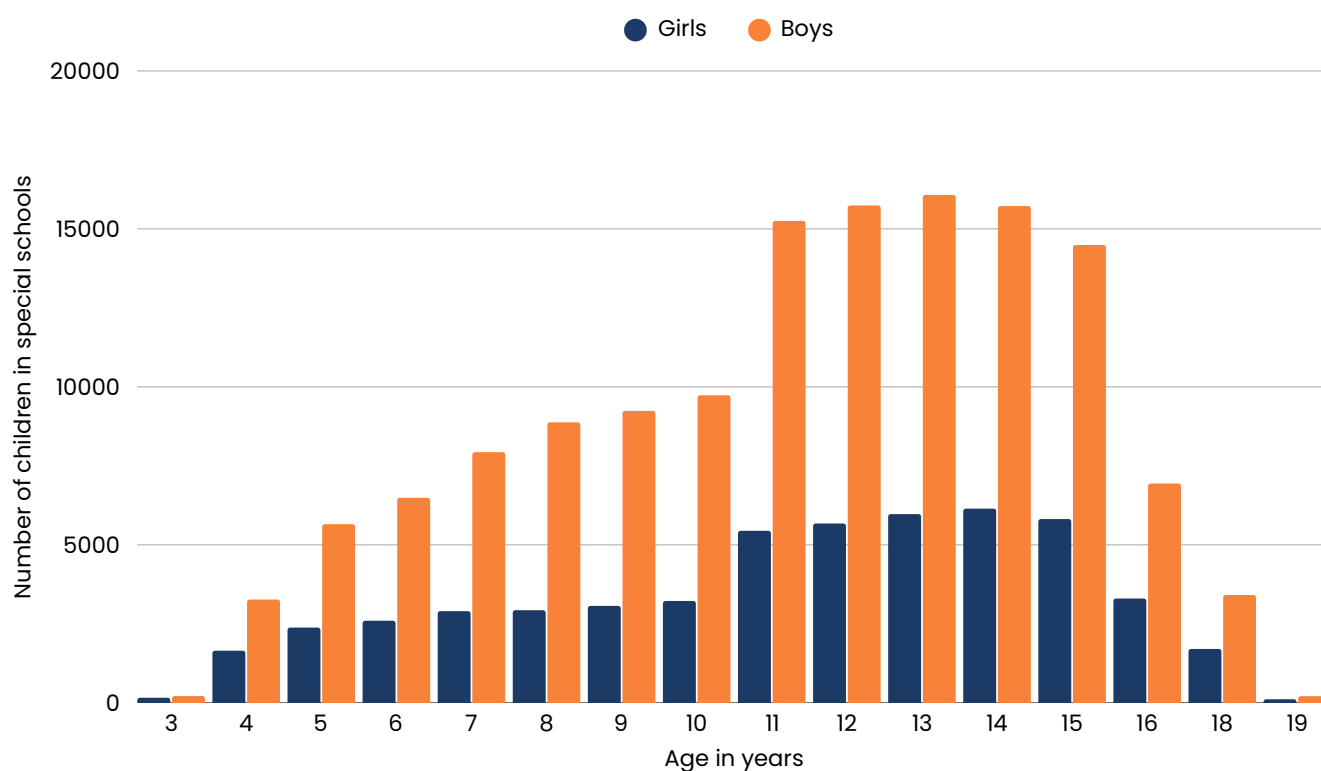
Figure 9 - Children and young people with EHCPs placed in other provision, NEET or with placement unknown.
Education, health and care plans, 2025, DfE.



As was highlighted in the research last year, the profile of children and young people in special schools is very skewed by both age and gender. Some 72% of pupils in special schools are male, and 53% are between the ages of 11 and 15. This is shown very clearly in Figure 10.

In fact, once placements in alternative provision are factored in, as well as those in all forms of special school, 4.8% of all 11- to 15-year-old boys are not in a mainstream school.

Figure 10 - Number of children and young people in special school 2024/25, by age and gender. Schools, pupils and their characteristics, Academic year 2024/25, DfE.



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PART 3: COSTS & SPENDING

“ More money than ever before is being invested in SEND, but even that is very significantly less than what is actually being spent by education, councils, and health services

MORE MONEY THAN EVER BEFORE IS BEING INVESTED IN SEND, BUT EVEN THAT IS VERY SIGNIFICANTLY LESS THAN WHAT IS ACTUALLY BEING SPENT BY EDUCATION SETTINGS, LOCAL GOVERNMENT AND HEALTH SERVICES

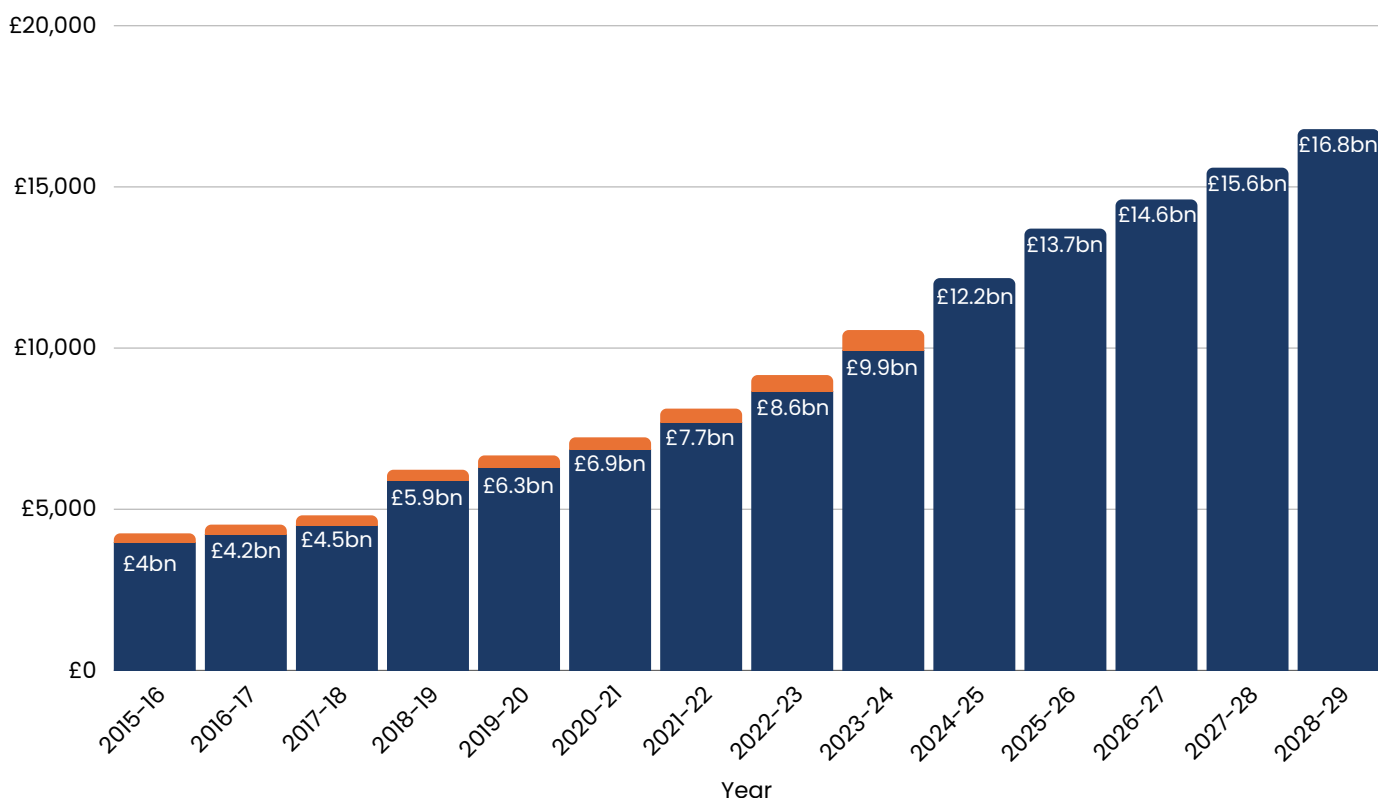
Between 2014 and 2025, Government funding for high needs has more than doubled.¹² However, this has not kept pace with the very rapidly rising expenditure in local authorities and schools. Published data shows that high needs block expenditure rose by 15% between 2022/23 and 2023/24 – the largest single year increase since 2018/19 and now stands at £9.9 billion.¹³ This equates to £556 for every child and young person aged 0 to 25.

In addition, local authorities spent a further £637 million from their core budgets on educational psychology services, administration of the SEND system, and information and advice for parents and carers of children with SEND. This is shown in orange in Figure 11.

Through SCT/ALATS' survey local authorities were asked to report their 2024/25 financial year expenditure and to project forward their predicted high-needs expenditure to 2028/29. Future expenditure projections only cover high needs expenditure and exclude expenditure from local authority core budgets.

Scaling up these responses to be representative of the national picture it can be estimated that expenditure in 2024/25 was £12.2 billion and will rise to £16.8 billion by 2028/29.

Figure 11 – Expenditure on SEND actual (2015–16 to 2023–24) and projected (2024–25 to 2028–29) (£ millions).
DfE 2023/24 and survey returns.*



*Expenditure up to 2023/24 is taken from LA and school expenditure, 2023-24, DfE; expenditure from 2024-25 onwards is based on local authority survey returns. The methodology used to scale up survey returns is explained in the methodology section at the end of this report.

In the last year alone local authorities are reporting a 23% increase in high needs expenditure, showing that the rise is accelerating. Looking at the period from 2015/16 to 2028/29, local authorities are projecting that expenditure will have quadrupled. Expenditure appears to be growing faster than we predicted previously. In our report last year, we estimated that high needs expenditure would reach £12 billion per year in 2025/26. Local authorities are now predicting that it will have reached that level in 2024/25.

One of the ways in which local areas are seeking to plug the gap between the expenditure they are required to make to meet the needs of children and young people with SEND and the available funding is to transfer money from other blocks within the DSG, most commonly the schools block to the high needs block.

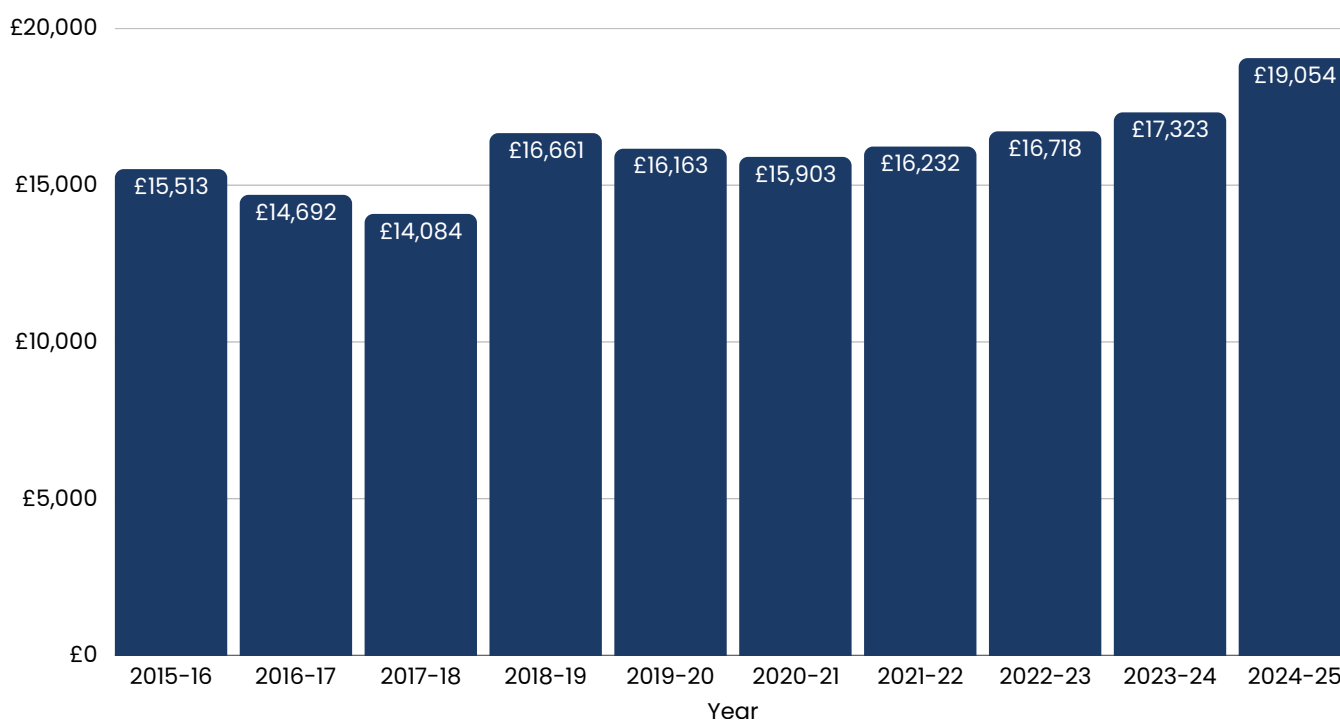
The survey data shows that 61% of responding local authorities had made some form of transfer from another block within the DSG into the high needs block in 2024/25.

By scaling up responses from the survey, it can be estimated that around £150 million pounds was transferred into the high needs block in 2024/25 to meet the needs of children and young people with SEND.

Given that the very large majority of this is from the schools block, this has an implication on the ability of mainstream schools to meet the needs of all their pupils, including those with SEND.¹⁴ Nationally, the block transfers equate to around £7,400 per mainstream school, per year.¹⁵

Published and survey data suggests that it is not just the increase in the number of children and young people with EHCPs that is driving up costs, but that the unit cost of each individual EHCP is also increasing. Figure 12 shows the cost per EHCP between 2015/16 and 2024/25. While the cost per EHCP remained relatively steady between 2018/19 and 2022/23 it is noticeable that in the last two years there has been a marked rise. Based on local authority survey returns, scaled up to represent the national picture, the cost per EHCP has risen above £19,000 for the first time this year.

Figure 12 – High needs block expenditure per EHCP (based on published data up to 2023–24 and survey data in 2024–25)¹⁶



Part of this is explained by the placement mix – more children and young people in higher cost placements will drive up the individual unit cost. This year’s survey data shows that the average cost to the high needs block of a placement in a mainstream school is £9,400 per annum, in a state-funded special school it is on average £23,200 per annum and in an INMSS it is £60,800 per annum.

Local authority survey data also suggests that the impact of differential placement costs will become more pronounced in the next five years. Respondents are projecting that places in state-funded special schools will rise to £26,950 per annum by 2028/29 and places in INMSS will rise to £72,100 per annum.

Figure 13 – Projected average placement costs. Survey returns.

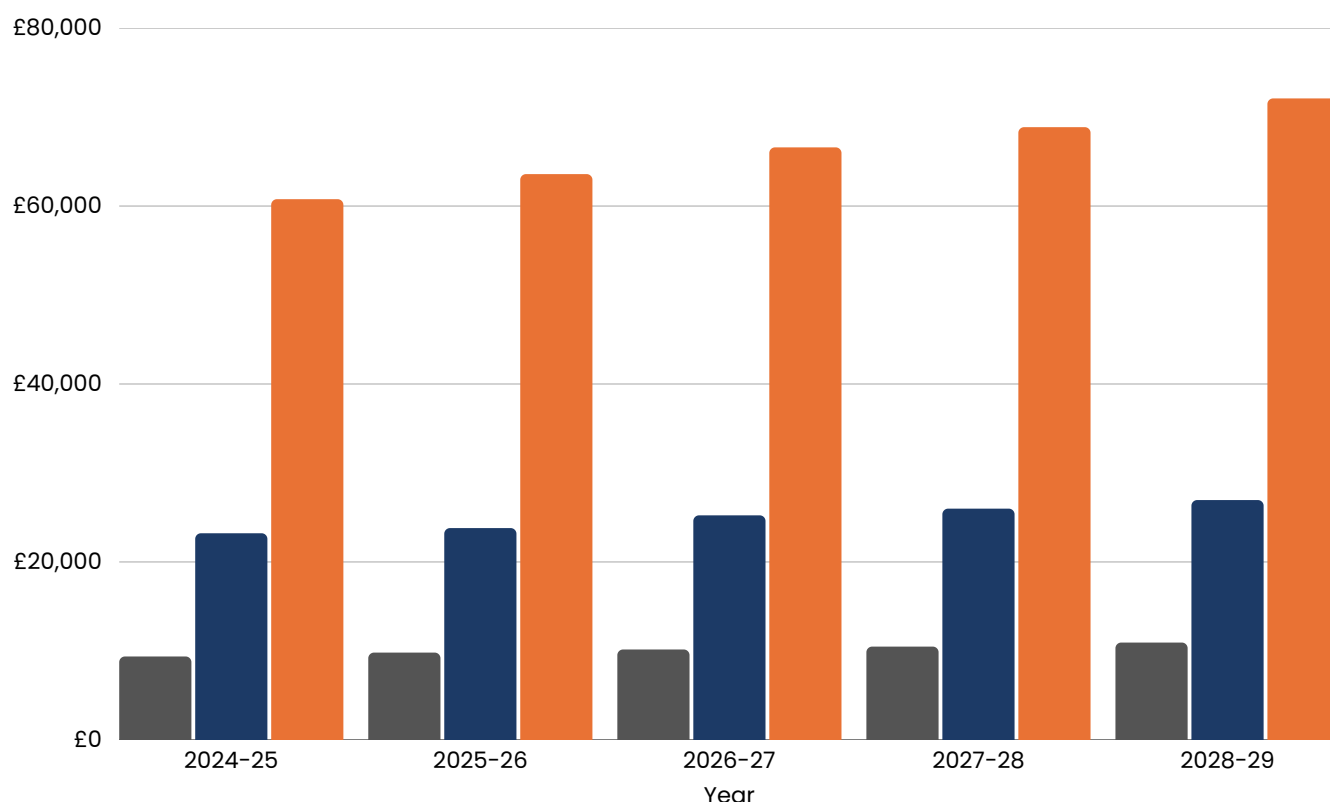


Table 5 – Projected average placement costs. Survey returns.

Placement	2024/25	2025/26	2026/27	2027/28	2028/29	% Change
Mainstream	£9,372	£9,809	£10,158	£10,482	£10,936	17%
Special	£23,222	£23,804	£25,236	£25,989	£26,954	16%
INMSS	£60,773	£63,591	£66,596	£68,868	£72,099	19%

It can be estimated, based on the survey returns, that local authorities are, in 2024/25, spending £2.3 billion per year on placements in mainstream schools, £3.7 billion per year on placements in special schools, and £2.1 billion per year on placements in INMSS.¹⁷

If it is assumed that the percentage of placements of children and young people with EHCPs remains the same, then it can be projected, using estimated EHCP numbers and placement costs, that by 2028/29 these figures will have increased to £3.5 billion expenditure in mainstream schools, £5.6 billion in state-funded special schools, and £3.2 billion in INMSS.

Figure 14 - Projected expenditure on mainstream, state-funded special and INMSS placements (£ millions). Survey returns. See Appendix for projections methodology.

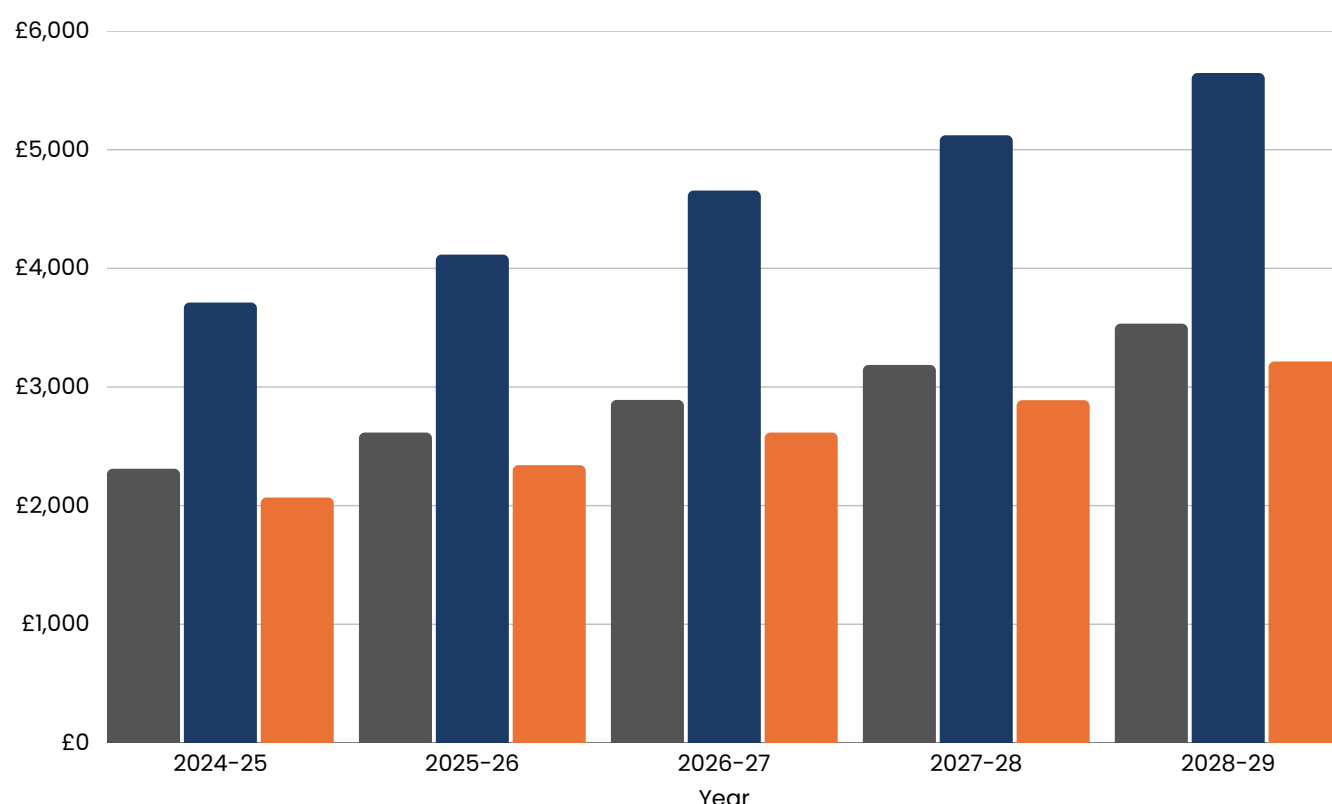


Table 6 - Projected expenditure on mainstream, state-funded special and INMSS placements (£ millions). Survey returns. See Appendix for projections methodology.

Placement	2024/25	2025/26	2026/27	2027/28	2028/29	% Change
Mainstream	£2,311m	£2,616m	£2,891m	£3,186m	£3,534m	53%
Special	£3,712m	£4,116m	£4,656m	£5,122m	£5,647m	52%
INMSS	£2,068m	£2,341m	£2,616m	£2,889m	£3,215m	55%

Increasing use of INMSS placements is known to be a significant driver of overall high needs costs. Around a third of the variation in local authority per capita expenditure can be explained by the percentage of children and young people placed in an INMSS setting.

In fact, the percentage of children in INMSS settings has become a more powerful predictor of per capita spending levels since the analysis carried out last year, explaining around one third of the variation in per capita expenditure. The rate of EHCPs explains around 40% of the variation in expenditure.

Figure 15: Correlation between per capita high needs expenditure and percentage of population with EHCPs

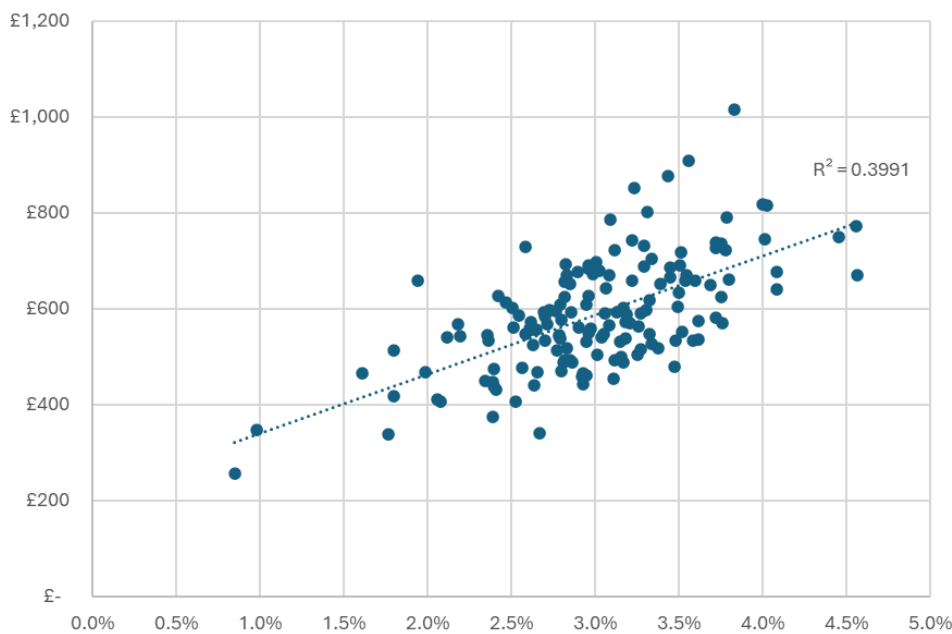


Figure 16: Distribution of local authorities according to the increase in EHCPs between 2014–15 and 2024–25 and the percentage of the 0–25 population with EHCPs



There are some quite significant differences between types of local authority in per capita expenditure on high needs, and the amount spent per EHCP. As can be seen in Table 6, expenditure both per capita and per EHCP is considerably higher in London Boroughs than in other types of local authority.

This is largely driven by the higher levels of funding. London Boroughs, on average, received around 20% more capita in High Needs funding than CCN local authorities. In fact, relative levels of funding explains around 41% of the variance in per capita High Needs expenditure.

Table 6 – Per capita and per EHCP expenditure by local authority type. LA and school expenditure, 2023/24. Numbers of EHCPs from Education, health and care plans, 2025, DfE.

LA Type	Per-capita high needs spend (2023-24)	Per EHCP high needs spend (2023-24)
Metropolitan Borough	£540	£16,869
London Borough	£659	£20,276
Non-CCN unitary LA	£549	£17,579
County & CCN Unitary	£565	£16,449

The increasing costs of SEND provision, over the last decade, have put immense strain on local government finances. As expenditure rises faster than income, so do in-year deficits. Some 92% of local authorities that responded to our survey reported that in 2024/25 their annual expenditure on SEND exceeded their annual income. Figure 17 shows that scaling up survey responses, we estimate that the in-year deficit this year stood at £2 billion and will rise to £4.4 billion by 2028-29.¹⁸

As in-year deficits mount up, year-on-year, they create a cumulative deficit. CCN has reported previously on the scale of the cumulative high needs deficit. This is essentially a debt caused by successive years of rising SEND expenditure, not matched by government investment, that is kept off the local authority’s balance sheet by means of the statutory override.

In the research last year, it was estimated that the national cumulative deficit – money that has already been spent on meeting the needs of children and young people with SEND over and above the available budget – stood at £3.16 billion.

There is no published data on this figure, so we are dependent on survey data. In order to arrive at a credible figure for the national level of deficit, based on survey returns, we have used a scaling methodology that attempts to counteract any potential bias in the survey sample. This is explained in greater detail in the methodology section at the end of this report.

This year, based on the most recent survey returns, in Figure 18 below it is estimated that the national cumulative deficit, for 2024/25, sits at £4 billion. This will rise to £6.6bn by the end of March 2026, higher than our previous estimates.

Local authorities project that if no changes are made to government SEND policy, then this will rise to a financial ‘black hole’ of £17.8 billion by 2028-29.

To put this in perspective, that would be an unfunded debt of nearly £1,000 pounds for every child and young person in England.

Figure 17: Projected in-year deficit, based on LA survey returns, scaled to national (£ million). Survey returns.

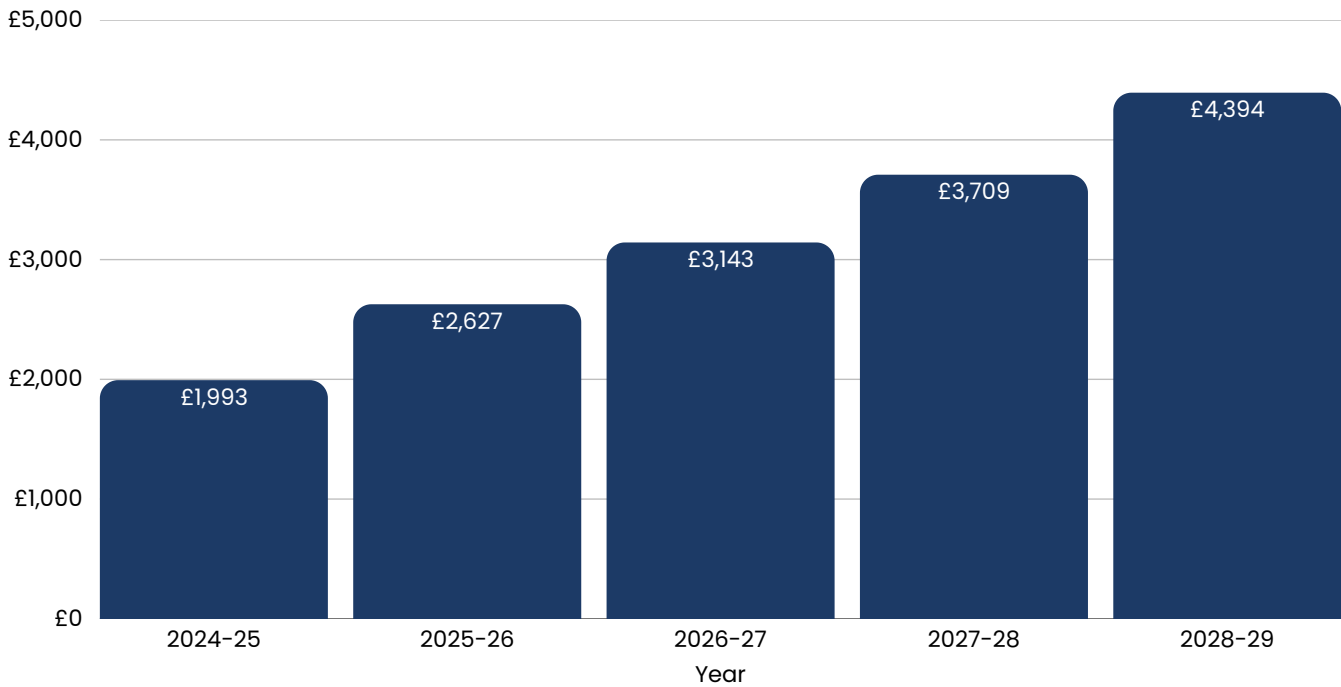
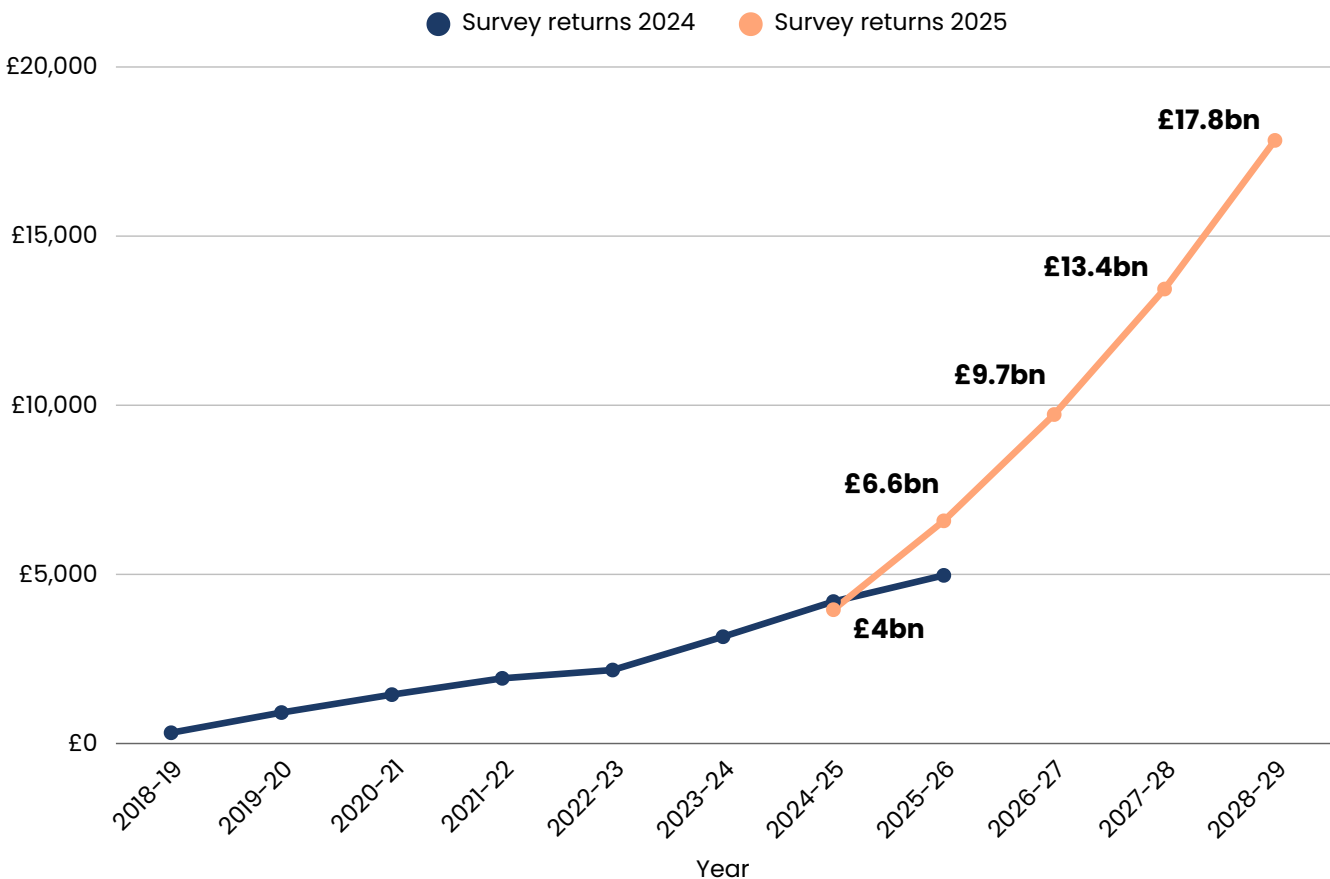


Figure 18: Current and projected cumulative high needs deficits based on LA survey returns, scaled to national (£ million). Survey returns.



There are some quite pronounced differences between types of local authority in terms of the scale of the cumulative deficit, per capita, of 0-25 population.

As shown in the table below, in the local authorities responding to the survey the per capita deficit was higher on average in CCN councils than in other types of local authority. This is likely to be a combination of higher-than-average rates of children and young people with EHCPs combined with lower-than-average per capita rate of high needs funding.

Table 7 - Cumulative deficits, per capita (0-25) by local authority type, 2024-25. Survey responses, combined with Population estimates, mid-2024, ONS.

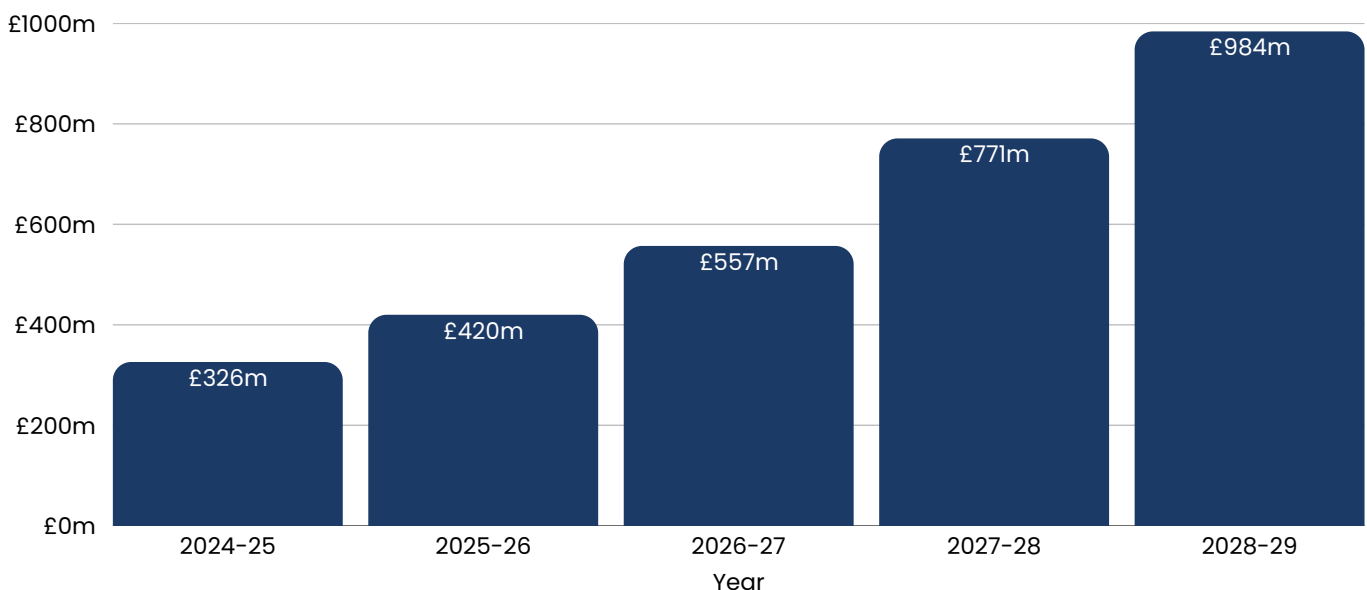
LA Type	Per capita cumulative deficit 2024-25
Metropolitan Borough	£207
London Borough	£189
Non-CCN unitary LA	£216
County & CCN Unitary	£349

Although the cumulative SEND deficit does not 'count' in a local authority's balance sheet at the end of the financial year, due to the continuation of the statutory override, it still has real world implications for local government's cash flow and spending power. **The cumulative deficit is real money that has already been spent.** As such, this is money that local authorities no longer hold in their bank accounts.

This can have two implications. Either local authorities (if their financial reserves are in credit overall) will be foregoing interest that they could have earned on the positive balance, or (if their financial position is in debit overall) they will be paying interest to service a loan to cover the deficit. In their survey SCT/ALATS asked local authorities to estimate the impact of the cumulative deficit on their financial position.

Scaling up their responses, local authorities estimate that the cumulative deficit is currently costing local government £326 million per year, and this figure is likely to rise to £984 million by 2028-29.

Figure 19: Projected impact of the deficit in lost revenue (£ million). Survey responses scaled to national. See Appendix for projections methodology.



The size of the SEND cumulative deficit is such that it is now imperilling local authorities' core financial sustainability. Some 60% of survey respondents forecast that their deficits will be larger than their total usable revenue reserves by March 2029.

Eight local authorities had reached the point that the SEND deficits could cause bankruptcy even with the statutory override still in place. These eight councils alone cover a population of over a million children and young people aged 0 to 25.

Of the 96 local authorities that responded to the survey, 55 said that their SEND deficits could cause the local authority to become bankrupt if the statutory override were to end.

Figure 20: Survey respondents comparison of useable revenue reserves against cumulative deficit. Survey responses, 96 respondents.

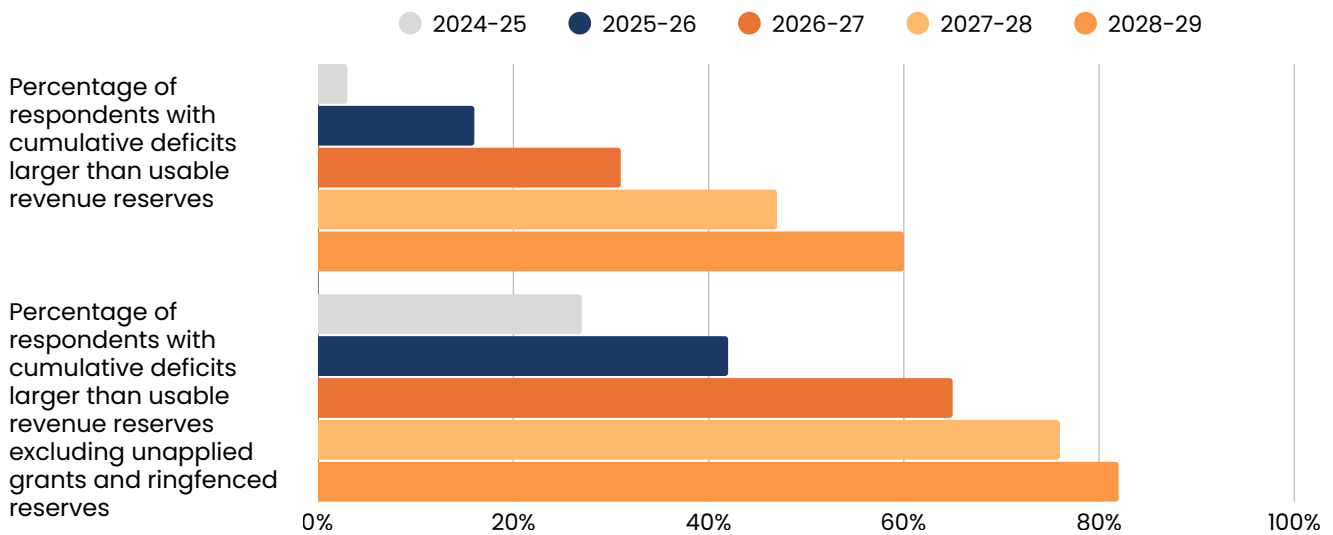
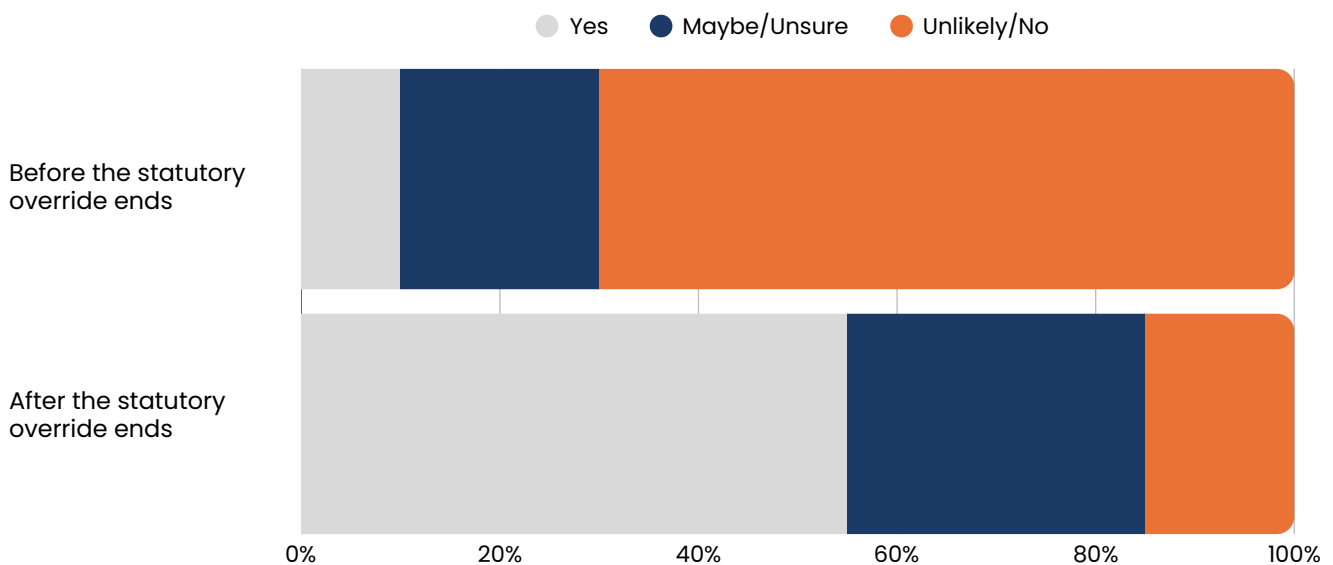


Figure 21: Survey responses on the likelihood of SEND deficits leading local authorities to declare bankruptcy. Survey responses, 96 respondents.



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PART 4: **EDUCATIONAL OUTCOMES**

“ Despite that rapidly rising expenditure, on average, outcomes for children and young people with SEND have not improved and neither has the overall satisfaction of families.

DESPITE RAPIDLY RISING EXPENDITURE, ON AVERAGE, OUTCOMES FOR CHILDREN AND YOUNG PEOPLE WITH SEND HAVE NOT IMPROVED AND NEITHER HAS THE OVERALL SATISFACTION OF FAMILIES.

Looking at the most recent published Key Stage 2 performance data (Figure 22), it is apparent that the percentage of children with EHCPs achieving the expected level in reading, writing and maths has barely changed over the last decade and while there have been improvements in the percentage of children on SEND support achieving this level, the gap between their performance and that of their peers without SEND has remained stubbornly wide.

Furthermore, the phenomenon we reported last year of growing numbers of children working below the level of the assessments continues to grow. As can be seen in Figure 23 (overleaf) the number of children working below the level of assessment in reading has grown by a third since 2018/19.

There is a very similar picture of outcomes at Key Stage 4 (Figure 24 overleaf) where the percentage of those with EHCPs achieving Attainment 8 has hovered at around 14% for the last three years, having fallen from a high point of 15.7% in 2020/21.

Figure 22: Percentage of children with SEND achieving the expected level in reading, writing and mathematics at Key Stage 2. Key Stage 2 attainment, 2023/24, DfE.

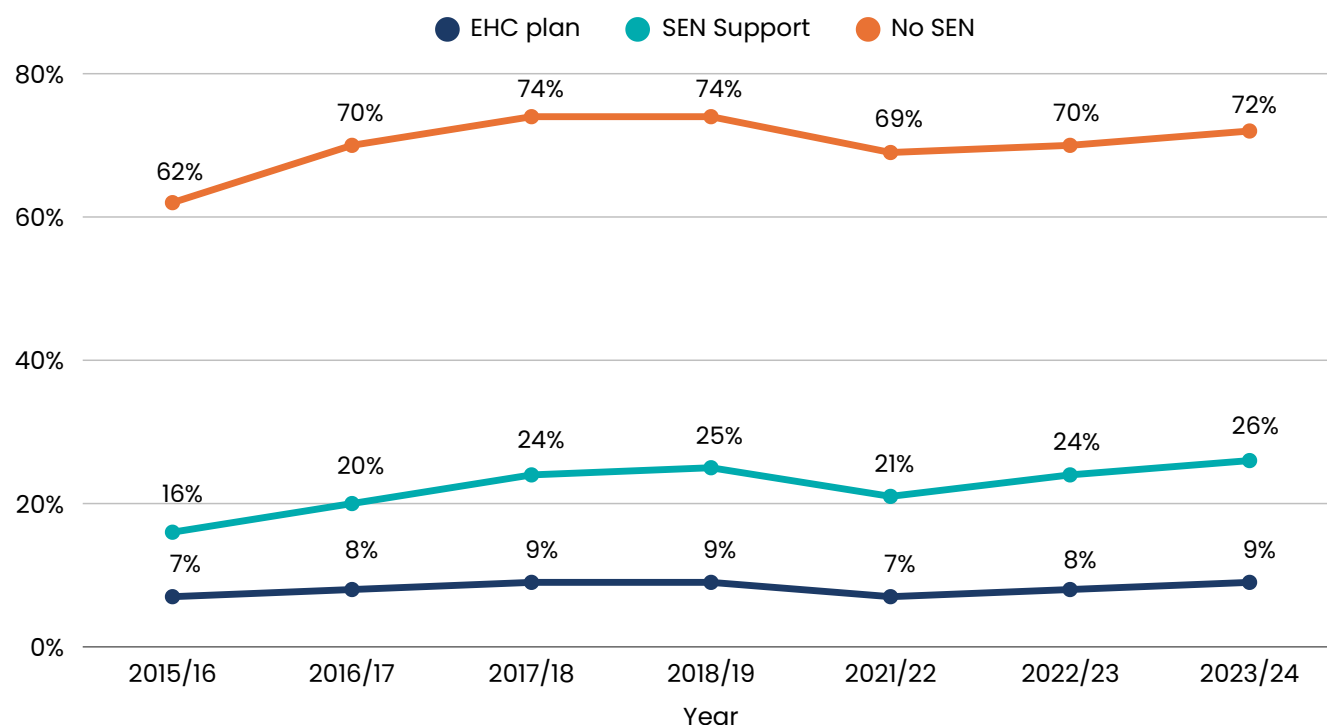


Figure 23: Number of children working below the level of assessment in Key Stage 2 reading. Key Stage 2 attainment, 2023/24, DfE.

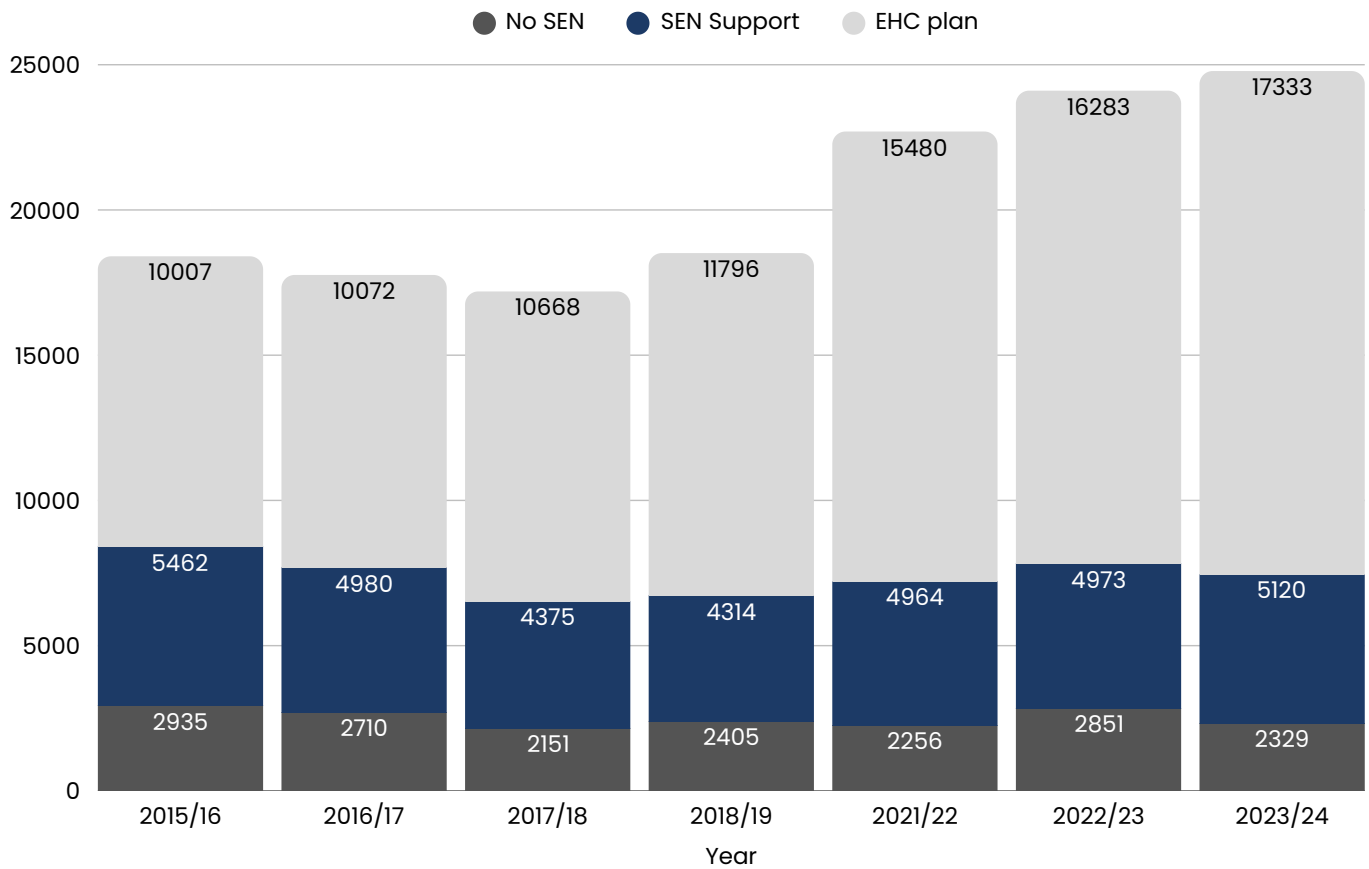
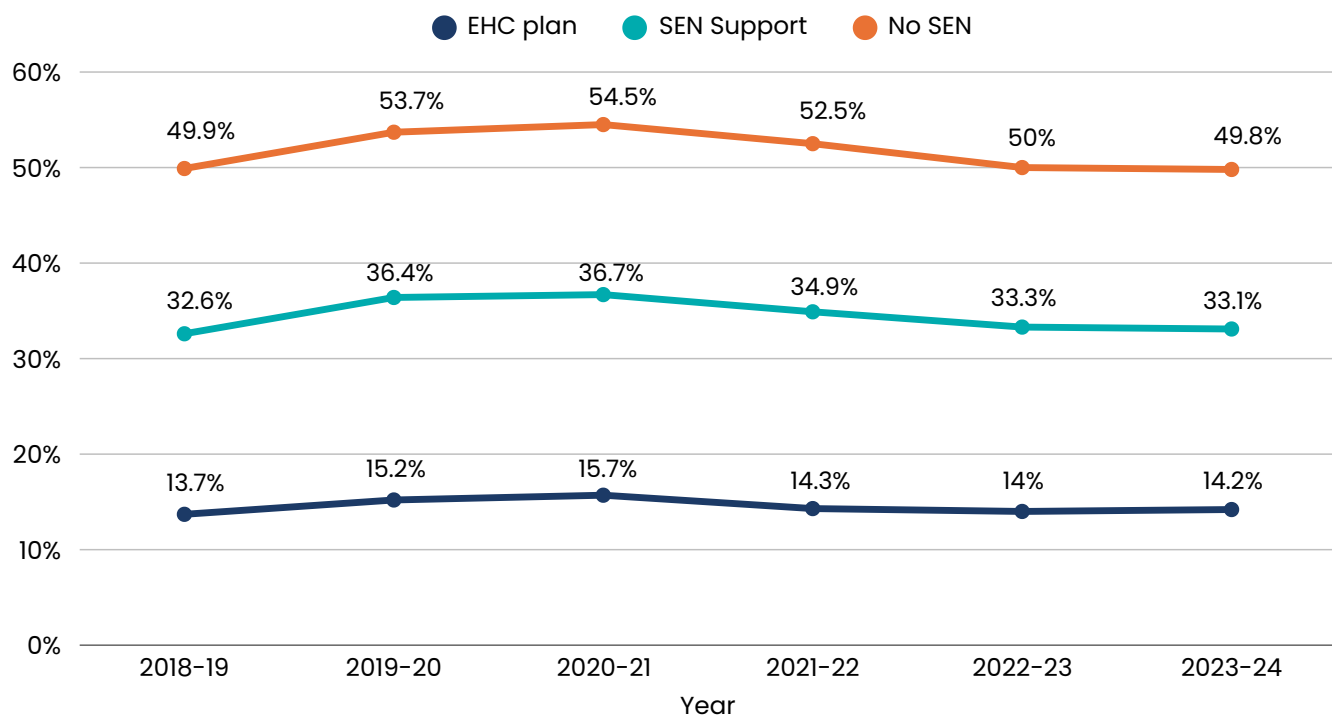


Figure 24: Achievement of Attainment 8 by SEND status, 2018/19 to 2023/24. Key Stage 4 performance, 2023/24, DfE.



Looking ahead to the percentage of young people with EHCPs who achieve Level 2 (equivalent to five GCSEs at grade 4 and above) at age 19, it is clear that, for both those with EHCPs and for those on SEN support, outcomes appear to have got worse since the introduction of the SEND reforms, not better.

In the last two years the gap between the percentage of young people with EHCPs achieving Level 2 at 19 compared to those with no identified SEND (Figure 25), at 59 percentage points, has been at its highest ever.

Figure 25: Proportion of young people achieving Level 2 by 19 between 2005/06 and 2022/23. Level 2 and Level 3 attainment age 16 to 25: 2023/24, DfE.

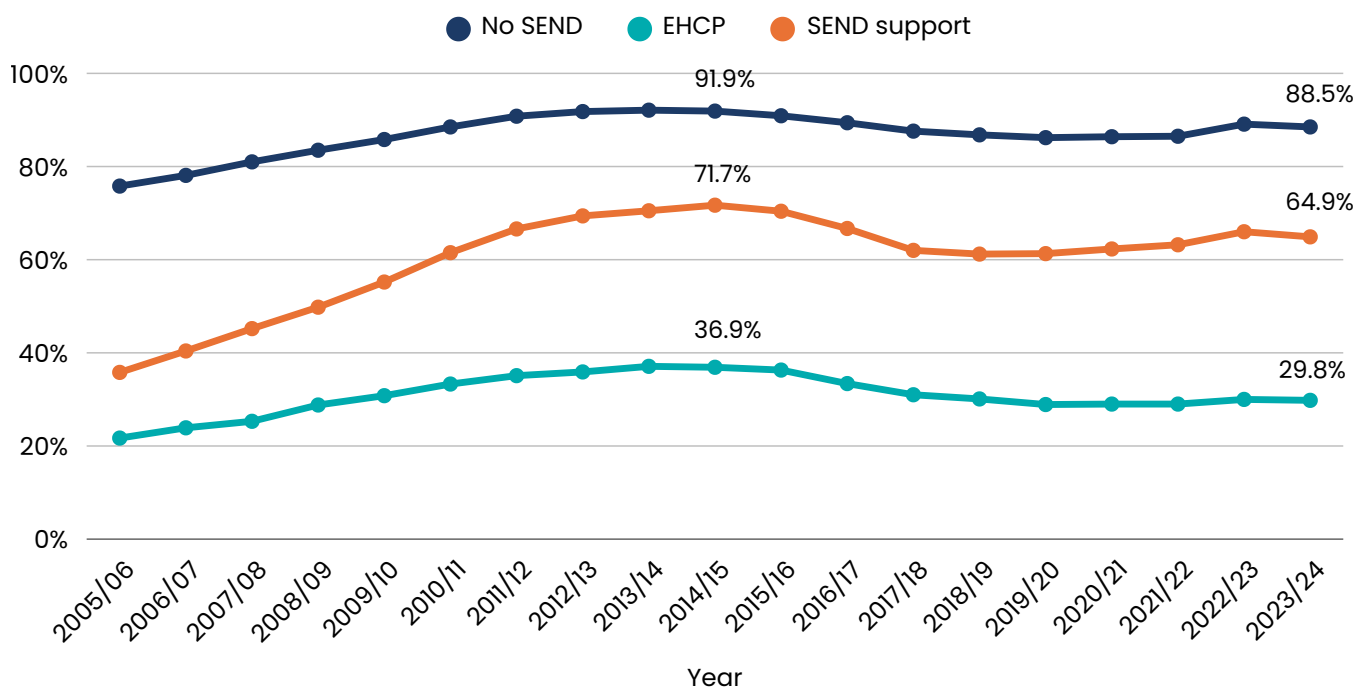
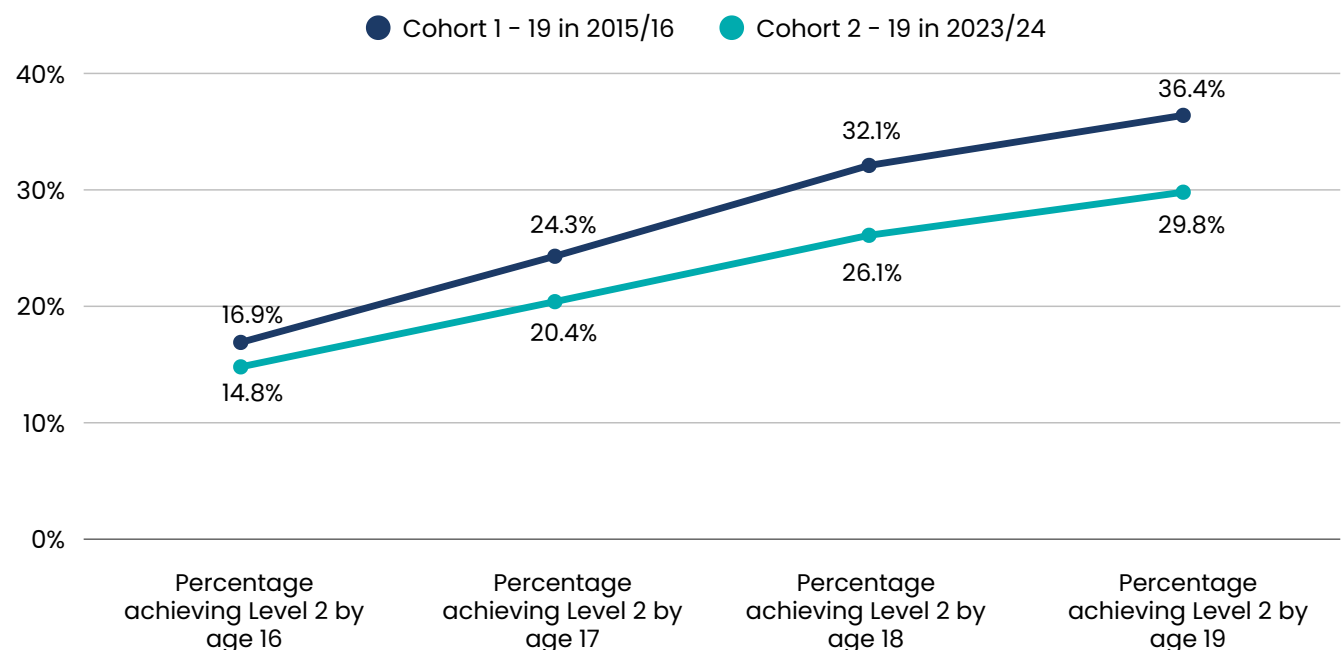


Figure 26: Cohort comparison of performance of young people at level 2 with EHCPs age 16 to 19. Level 2 and Level 3 attainment age 16 to 25: 2023/24, DfE.



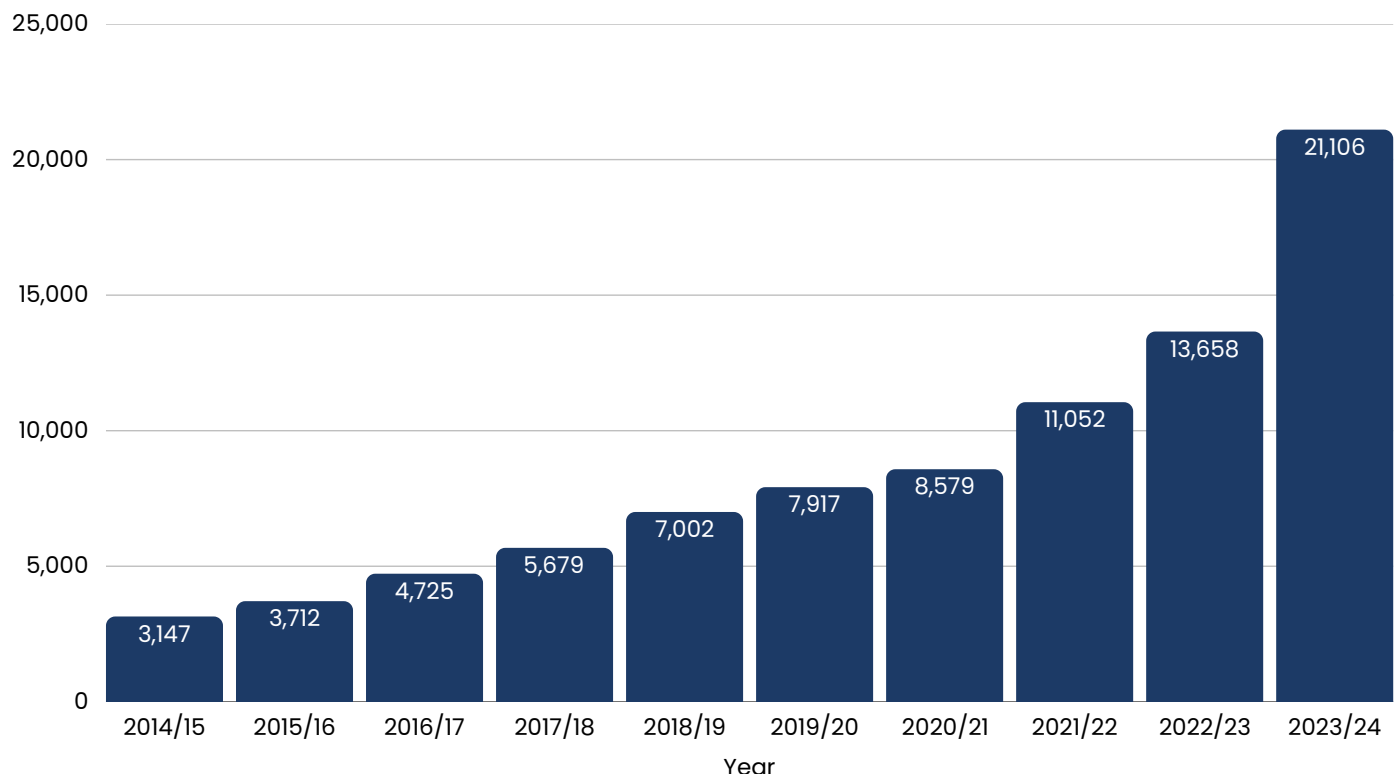
This is even more apparent when the outcomes of different cohorts of young people are compared. In Figure 26 above, the cohort who turned 19 last year performed less well than the cohort who turned 19 in 2015/16. That means that those young people with EHCPs who have experienced most of their education since the 2014 reforms have not been supported to achieve as well as those whose education was complete before the SEND reforms took effect.

It is clear then, that learning outcomes (as far as these can be gauged by published performance measures) have not improved for children and young people with SEND in the decade since the SEND reforms were introduced and on the critical measure of Level 2 performance at 19, which is an important springboard for future learning and employment, outcomes have actually deteriorated.

But what can be deduced about satisfaction with the SEND system? The best available proxy for this is the rate and number of registered appeals to the SEND Tribunal. This data points to a system that is increasingly contentious, where satisfaction is falling and trust is being eroded.

Between 2022/23 and 2023/24, which is the latest full year of published data, the number of appeals to the SEND Tribunal increased by an enormous 55%, massively outstripping the underlying growth in EHCPs.

Figure 27: Number of registered appeals to the SEND Tribunal. Tribunals statistics quarterly, January to March 2024.





PART 5: **POLICY** **IMPLICATIONS**

“ Continued inaction only increases the missed opportunities and negative experiences for children and their families. Assertive, fundamental and wide-ranging reform is both inevitable and necessary - it cannot be ignored any further

POLICY IMPLICATIONS

A CRISIS IN SEND?

When people describe a “crisis” in the SEND system in England they are essentially making a shorthand reference to four key facts:

- there are many more children and young people than ever before in England being identified as having SEND;
- there are more children and young people than ever before whose needs are not being met in their local mainstream school and who require special provision;
- more money than ever before is being invested in SEND, but even that is very significantly less than what is actually being spent by education settings, local government and health services; and
- despite that rapidly rising expenditure, on average, outcomes for children and young people with SEND have not improved and neither has the overall satisfaction of families.

This is what Isos Partnership wrote in their research report in the summer of 2024 to describe the scale of challenge facing the SEND system in England.¹⁹

Just over a year on from the publication of that research, the data contained in this report tells us that, against these measures, the system is not getting better.

In fact, in many ways, it is getting worse – with the system no longer working for parents, children with SEND, schools and councils.

A LEVEL OF DEMAND WITH WHICH THE SYSTEM WAS NEVER DESIGNED TO COPE

Demand for services continues to rise exponentially, and, far from slowing down, the rate of increase in children and young people with EHCPs is speeding up.

Last year saw the single largest increase in EHCPs since 2016/17. A third of children with these plans have held them for seven years or more, with almost half of all plans issued starting at reception and on transition from primary school to secondary school.

This analysis predicts that there may be as many as 840,000 children and young people in England with EHCPs by the end of this Parliament. This would equate to 4.7% of the current birth to 25 population – almost 1 in every 20 children and young people.

This is a level of demand with which the system was never designed to cope, and as such, **parents** are facing an adversarial system in which they feel they have to battle relentlessly to get assessment and support for their child’s educational needs. In the last year alone the number of appeals to SEND tribunals grew by 55%, demonstrating an increasingly contentious system, where satisfaction is falling and trust is being eroded.

The analysis in the report shows that the basic educational needs of this generation of children are fundamentally changing and urgently points to the need to do more to support children, families and schools to thrive in education and learning without recourse to a statutory plan.

A SYSTEM FAILING TO DELIVER INCLUSIVE EDUCATION FOR SEND CHILDREN

With the system buckling under the strain of increasing demand and confrontation, **schools** are finding it increasingly difficult to deliver support for the complex needs of SEND children within the present regulatory and funding environment of the education system.

There are now around 194,000 pupils in special schools in England, the highest number ever.

Although the number of children with ECHPs in mainstream school has actually risen more quickly in recent years than the number of state-funded children in the special school sector, this is not because demand for special schools has abated. Rather, it is due to the severe shortage of capacity in state-funded special schools, and an over reliance on independent and non-maintained special schools (INMSS).

Our analysis reveals that some 83% of state-funded special schools are either full or over capacity, with over 6,500 more children and young people in state-funded special schools than the designated number of places available.

Mainstream schools are increasingly struggling to meet the complexity of needs of their pupils without access to the right specialist support, and too many **children with SEND** are either not in a suitable placement or are forced to travel long distances to access education.

Some one in ten children with an EHCP are now educated outside of school or college in alternative provision; at home; are Not in Education Employment or Training (NEET); or are waiting for a placement.

Moreover, with almost 1 in 20 boys aged 11 to 15 not in mainstream school, the question must be asked why so many boys in this country are not able to thrive in a mainstream school environment, and what the implications, in terms of life-chances, will be for these boys and young men as they mature.

For too many children and young people with SEND their needs are not being met effectively in mainstream schools, which has implications for their future achievements in learning and work. At the same time the sheer weight of demand for specialist placements means that more and more children are facing longer and longer waits.

A SYSTEM RELIANT ON SPECIALIST PROVISION, DRIVING UP OVERSPENDING

Given that more children and young people than ever before are being identified as having special educational needs, and the numbers requiring a specialist education or education outside of a school environment are rising all the time, it is not surprising that expenditure on SEND is rising at an alarming rate.

Isos Partnership's previous report showed government spending on SEND was on course to treble by 2026. But our latest financial analysis shows that spending is accelerating at an even faster pace. High needs expenditure is predicted to have already reached £12.2bn in 2024/25, with this set to escalate to £16.8bn by the end of the parliament.

Demand for ECHPs alone is not the only factor driving increased expenditure, but the over-reliance on higher costs placements and special provision. Unless policy changes are made to reduce the need for placements in the special school sector, councils are projected to be spending £8.9bn on these placements by 2028/29 - over 70% of all placement costs.

Alarmingly, money is also being withdrawn from children in the mainstream school system in order to support overspending for SEND – with £150m being transferred in the last financial year.

The accelerating spending on specialist provision risks exacerbating a vicious cycle where a lack of resources for mainstream schools to support lower-level needs leads to even more children and their families seeking additional assessment and help for their needs outside of mainstream settings.

A SYSTEM THAT HAS BECOME FINANCIALLY UNSUSTAINABLE

Against this backdrop, **councils** have received inadequate funding to meet levels of support and have been urged to ‘gatekeep’ access to these limited resources.

But this has not prevented councils overspending their budgets and amassing unsustainable levels of accumulated deficits.

Councils are already overspending on SEND to the tune of £2bn in 2024/25, with the cumulative deficit currently standing at £4bn. By the end of the parliament, annual overspends are predicted to rise to £4.4bn, pushing the cumulative black-hole to £17.8bn.

These deficits are already having real-world financial impacts on council finances, with lost revenue from interest costing councils £326m next year, rising to almost £1bn by the end of the parliament. This is money that otherwise could be used on more effective services for children and young people and is a massive opportunity cost to the system.

With cumulative deficits projected to hit a staggering £18bn by the end of this parliament, the system has already become financially unsustainable and threatens to collapse without major reform and intervention.

A SYSTEM THAT ISNT DELIVERING BETTER OUTCOMES DESPITE RECORD EXPENDITURE

If the increased identification of need, the rising numbers of children and young people in specialist provision, and the increased investment and expenditure had led to a transformation in outcomes for children and young people with SEND, then this might be seen as a price worth paying. But it has not.

On almost all published measures of attainment and progress, this report shows that children and young people with SEND are doing no better than they were in 2015 before the SEND reforms had taken effect, and on some core measures they appear to be doing worse.

It must be concluded that, nationally, over the last decade £30 billion has been invested over and above the 2015/16 baseline²⁰ in supporting children and young people with SEND and it has not appreciably made their life chances any better.

PROMISES OF REFORM TO MEND A ‘BROKEN’ SYSTEM

The government itself has accepted that the system is ‘broken’ and is not working for families, children, schools, or councils. Reform proposals were initially expected in spring, but in March 2025 it was revealed a Schools White Paper containing these would be published later in the year.²¹

However, in October 2025 a further delay to the publication of these reforms was confirmed, with the Schools White Paper now set to be released early in 2026.

In initially setting out their vision for reform and further investment in mainstream schools to support those with SEND,²² ministers have promised wide-ranging and fundamental reform of the system. The government have indicated this will be focused on ensuring mainstream schools are more inclusive, enabling more children with SEND to thrive with their peers and focusing provision within special schools on those with the most complex needs.

In confirming the most recent delay to the proposals, the government outlined five principles that will underpin their approach – **early** intervention; **local** provision; **fair** legal requirements and safeguards for children and parents; **effective** evidence-based practices; and **shared** responsibility and partnership working (see Box 1).²³

Promises of reform come alongside commitments to provide a solution to historic SEND deficits. Earlier this year the government extended the statutory override by a further two years to March 2028, but has committed to further action at the Local Government Provisional Settlement this winter.

Inevitably, however, in the absence of the White Paper, there has been a growing national debate on the extent and impact of the forthcoming reforms amongst parents, SEND representative groups, and Members of Parliament. This is particularly with regards to the legal status of ECHPs and the tribunal system.

BOX 1: Government principles for SEND reform

1. Early. Children should receive the support they need as soon as possible. This will start to break the cycle of needs going unmet and getting worse, instead intervening upstream, earlier in children's lives when this can have most impact.

2. Local. Children and young people with SEND should be able to learn at a school close to their home, alongside their peers, rather than travelling long distances from their family and community. Special schools should continue to play a vital role supporting those with the most complex needs.

3. Fair. Every school should be resourced and able to meet common and predictable needs, including as they change over time, without parents having to fight to get support for their children. Where specialist provision is needed for children in mainstream, special or Alternative Provision, we will ensure it is there, with clear legal requirements and safeguards for children and parents.

4. Effective. Reforms should be grounded in evidence, ensuring all education settings know where to go to find effective practice that has excellent long-term outcomes for children.

5. Shared. Education, health and care services should work in partnership with one another, local government, families, teachers, experts and representative bodies to deliver better experiences and outcomes for all our children.

REFORM MUST TACKLE THE ROOT CAUSES BEYOND INCLUSIVITY

Given the findings of this report, the emphasis on inclusion and investment in mainstream settings by the present government is to be strongly welcomed.

Almost all stakeholders are agreed that system reform must support schools to become more inclusive and meet more children's needs locally within mainstream education.

Most importantly, supporters of this approach include children with SEND themselves. Isos Partnership's report last year found many children with SEND would ideally prefer to attend their local school and be based with their peers in their communities rather than segregated out at special schools often many miles from their home.

However, while a more inclusive system of mainstream education is the essential and necessary foundation for SEND reform, this alone will not deliver the lasting and fundamental change needed to address the root challenges within the system.

The principles underpinning the government's approach contained in the recent letter to the Education Select Committee are the right and necessary foundations for reform. But these must now be translated into detailed and far-reaching proposals.

In **CCN's Manifesto for Counties**, published ahead of the General Election, our network was clear that the new government must grasp the nettle and set out comprehensive reform to SEND services from the bottom up.

Alongside supporting mainstream schools to be more inclusive, this included proposals for resetting the vision of the SEND system; legislative changes to the Children and Families Act 2014 and associated guidance to focus statutory plans on those most in need; reforms to tribunals; reforming the role of statutory partners; and increasing specialist school places for those that need them.

In their report last year, Isos Partnership set out detailed **independent recommendations** for consideration by government that would, overtime, seek to achieve this. Taken together, they argued it would fundamentally overhaul the system in England so it can better meet the needs of those requiring support, improve educational outcomes, and place the system on a more sustainable financial footing:

- **Resetting the national ambition – vision and principles:** An ambitious and inspiring vision, built on the two core principles of promoting inclusion in education and in preparing young people for adult life. A new National Institute of Inclusive Education should be created to act as an independent custodian of national expectations and evidence-based practice.
- **Enabling inclusion and putting principles into practice:** Building capacity for inclusion in mainstream education as the necessary condition for reforming support for children and young people with additional needs.
- **Reforming the SEND statutory framework:** Reform elements of the SEND statutory framework so that the state can set out a clear, consistent, equitable and sustainable offer of support for children and young people SEND.

- **Create a new Destinations and Progression Service:** This service would aim to deliver greater joint working between education, children's, adult and community services; more tailored support across the transition for young people; and better tracking of progression and long-term outcomes.
- **Local Inclusion Partnerships:** A statutory partnership to reconfigure the role of partners so that they are more coherent and provide a robust foundation for joint working, with responsibilities aligned with powers and accountabilities.
- **A new relationship between the state and independent sector:** A new, more strategic relationship between the state and the independent sector, including on regulatory standards and funding and a prohibition on making profits for shareholders from state-funded placements of children and young people with additional needs.
- **A system-wide workforce strategy:** The new National Institute should lead on developing a cross-government, multi-disciplinary workforce strategy for inclusive education, additional needs and preparation for adulthood, specifying the skills and practitioners needed to deliver a reformed system.

More detailed summaries of these independent recommendations can be found below, with extensive underpinning analysis and implementation considerations provided in the full report published last year.

This type of far-reaching reform is not only necessary to improve outcomes for those with special needs, but also to ensure the financial sustainability of local government. Analysis contained in this document shows that high-needs deficits are now the single biggest threat to the financial health of councils the length and breadth of England.

As a first step, CCN has been clear that the Treasury must set out a programme of government-led debt write-offs for existing accumulated deficits as soon as possible. This should include compensating those authorities who invested hundreds of millions in local reserves through safety value arrangements.

But again, deficit write-off in the absence of fundamental reform, or a significant increase in core funding, will be inadequate. Even if the estimated £6.6bn of accumulated deficits by March 2026 was written-off by government, our analysis shows that councils would simply continue to outspend their budgets and reaccumulate further deficits, with the in-year difference between funding and costs reaching £4.4bn by 2029.

WORKING IN PARTNERSHIP TO DELIVER LASTING REFORM

While the SEND system poses an existential threat to the viability of local government services, our councils' desire for reform is not primarily financially driven. It would be easiest for organisations such as CCN to argue that local authorities should simply be given the necessary resources to deliver what the present law promises.

However, this would not solve the underlying challenges within the system. Most importantly, it is becoming worryingly clear that despite welcome improvement in the overall education outcomes of England in international comparisons over the past ten years, this has also masked the fact that for an increasing number of children with additional needs this improvement has simply not happened.

Complex reforms to the SEND and education systems will take time to test and implement, including the necessary legislative changes that are required to underpin reform. CCN fully recognises that it will be necessary for a phased transition to a new system.

Isos Partnership recommended that children and young people with EHCPs, and those in specialist provision, would not lose their plans and placements as a result of these reforms. Instead, they envisage phasing in the new system while running the existing system in parallel, in order to strike the right balance between introducing a reformed approach and maintaining stability for those supported by the current system.

This phased approach is one that CCN broadly supports. Councils will require additional support and funding as reforms are implemented overtime and we transition to a new system.

Moreover, while CCN was deeply disappointed by the most recent delay to the publication of the reforms,²⁴ our organisation understands the need for the government to undertake wide-ranging engagement with all stakeholders involved in the system.

Nonetheless, continued inaction only increases the missed opportunities and negative experiences for children and their families. Assertive, fundamental, and wide-ranging reform is both inevitable and necessary – it cannot be ignored any further.

As the government engages further with the stakeholders and finalises its proposals, this report has outlined the systemic challenges facing the SEND system, but also the necessary steps that now must be taken.

CCN now want to work with government, parents, representative groups, and wider partners to urgently take these reforms forward and transform the life-chances of all children and young people.

Resetting the national ambition – vision and principles

- An ambitious and inspiring vision, built on the two core principles of promoting inclusion in education and in preparing young people for adult life.
- National government should set out a new national ambition, based on these two foundational principles, that all aspects of policy related to education, children and young people's services, and support for additional needs should be recalibrated to support these principles.
- A prerequisite of a future approach to inclusive education is that there is clarity about what "additional needs" means, how different needs are to be met, and clear and consistent expectations of inclusive practice in mainstream education (as well as the role of specialist provision). There should be support and guidance to fulfil those expectations to build capacity across the education system.
- A National Framework should be created that describes types and levels of needs, and that provides clarity about the levels of need to be met in mainstream education and expectations of ordinarily available provision. The National Framework would be accompanied by evidence-based best practice guidance and would be overseen by a new National Institute of Inclusive Education, which would act as an independent custodian of national expectations and evidence-based practice.

Enabling inclusion and putting principles into practice

- Building capacity for inclusion in mainstream education is the necessary condition for reforming support for children and young people with additional needs.
- The aim of a reformed system should be to add to the support available to children and young people with additional needs in mainstream schools, and make it easier to access without the need for an EHCP. Isos Partnership proposed the development of a new 'core offer' of targeted, multi-disciplinary support – from therapists, EPs and other services – that all education settings can access without children and young people requiring a statutory plan.
- To achieve this, wide-reaching reforms are needed to early years, school, and post-16 education that aim to build educating institutions' inclusive capacity, and enable and recognise inclusion. These would include reforms addressing key aspects of wider education policy relating to curriculum, qualifications, assessment, performance reporting, accountability, buildings, workforce development, funding, access, strategic planning, and transitions.
- Isos Partnership also proposed a new role for special schools. This would see special schools continue to provide placements for pupils with the most complex needs, but they also envisaged the creation of a more porous boundary between special and mainstream schools, allowing for sharing of expertise and outreach, and staff and pupils moving between settings.

Reform to the SEND statutory framework

- Elements of the SEND statutory framework should be reformed so that the state can set out a clear, consistent, equitable and sustainable offer of support for children and young people SEND.
- This should enshrine the practice behind the original idea of EHCPs, in the form of regular, personalised assessments, planning, and reviews of what we are calling a new 'Learner Record'. It should provide clarity about what is meant by 'additional needs', and how those needs are to be met within the education system, including the role of mainstream and special education settings and of statutory plans.
- A reformed SEND statutory framework should maintain a role for parental preference in admissions – and indeed that of the child or young person – so that parents and carers of children with additional needs can exercise equivalent choices to parents and carers of children without additional needs.
- In order for the system to be equitable and sustainable, the state must be clear on where the limits of individual choice and entitlement lie. A reformed SEND statutory framework should include new, independent, non-judicial mechanisms for dealing with disagreements about decision-making (where Isos Partnership see a role for an ombudsman) and about access to specific provision (where they envisage a role for the National Institute, as opposed to the Tribunal).

Create a new Destinations and Progression Service

- Delivering on the second guiding principle of a new national ambition – preparation for adulthood – will require greater joint working between education, children's, adult and community services; more tailored support across the transition for young people; and better tracking of progression and long-term outcomes.
- As such, a new Destinations and Progression Service should be created in each local area. This service would have oversight of all children and young people with additional needs as they approached the transition from children's to adult services and in the years after that age of transition.
- To improve transition and align the responsibilities of key partners and services, Isos Partnership recommend that the age at which young people move from children's to adult education, health and care services should be standardised across education, health and care.
- The Destinations and Progression Service would be responsible for providing additional support to young people who needed it for two years after the age of transition (which could be extended if the young person needed it), tracking long-term outcomes and destinations, and co-ordinating the work of partners to create a broad range of options to support young people to pursue their aspirations as they move into adulthood.

A system-wide workforce strategy

- A change of the scale Isos Partnership proposes must be underpinned by a system-wide workforce strategy.
- As such, the new National Institute should lead on developing a cross-government, multi-disciplinary workforce strategy for inclusive education, additional needs and preparation for adulthood, specifying the skills and practitioners needed to deliver, for example, the core wraparound targeted offer.
- The National Institute would also advise on the content of initial training and CPD across the workforce involved with inclusive education and supporting children and young people with additional needs.

Local Inclusion Partnerships

- Effective local approaches to inclusive education and support for children and young people with additional needs is a partnership endeavour. At present, however, the roles and responsibilities of partners are confused, unequal and misaligned with accountabilities.
- It is therefore necessary to reconfigure the role of partners so that they are coherent and provide a robust foundation for joint working, with responsibilities aligned with powers and accountabilities. Furthermore, Isos Partnership propose strengthening local partnerships themselves by creating statutory Local Inclusion Partnerships. These would include named partners from the LA, health services, the education sector, the local PCF and local strategic groups representing young people with SEND.
- The Local Inclusion Partnerships would have statutory powers and joint funding, and would be responsible for strategic planning and commissioning of a continuum of support to meet local needs (including the targeted offer of support and specialist provision) and decision-making regarding future statutory plans.

A new relationship between the state and independent sector

- Within a more strategically planned approach to inclusion and additional needs, Isos Partnership propose a new, more strategic relationship between the state and the independent sector should be articulated.
- This would see the independent sector involved in strategic planning in local areas, and used strategically for highly specialist provision and expertise that complements, rather than replaces, local state-funded provision. Local Inclusion Partnerships should be able to commission and open their own state-funded provision to reflect local needs, which in turn would delineate the respective roles of local state-funded provision and independent/non-maintained providers.
- There should also be equivalence of regulatory standards and funding between the state-funded and independent sectors. This should include a prohibition on making profits for shareholders from state-funded placements of children and young people with additional needs.

Footnotes

1. Isos Partnership: Towards an effective and financially sustainable approach to SEND (July 2024) <https://www.countycouncilsnetwork.org.uk/download/5402/?tmstv=1762204205>

2. National Audit Office: Support for children with Special Educational Needs (Oct 2024) <https://www.nao.org.uk/reports/support-for-children-and-young-people-with-special-educational-needs/#download>

3. Public Accounts Committee: Support for children and young people with Special Educational Needs (Jan 2025) <https://committees.parliament.uk/committee/127/public-accounts-committee/news/204725/send-emergency-unviable-system-will-end-in-lost-generation-of-children-without-reform/>

4. Education Select Committee: Solving the SEND Crisis (Sep 2025) <https://committees.parliament.uk/committee/203/education-committee/news/209313/solving-the-send-crisis-report-calls-for-culture-shift-and-funding-to-make-mainstream-education-genuinely-inclusive/>

5. Institute for Fiscal Studies: IFS Green Budget 2025, Chapter – ‘Support for Children with Disabilities and Special Educational Needs’ (Oct 2025) <https://ifs.org.uk/publications/support-children-disabilities-and-special-educational-needs>

6. SEND reform: Education Secretary writes to the Education Select Committee (October 2025) SEND reform: Education Secretary writes to the Education Select Committee - GOV.UK

7. Education, health and care plans, 2025, DfE

8. Education, health and care plans, 2025, DfE; Population estimates for England and Wales, mid-2014, mid-2023 and mid-2024 ONS.

9. Based on survey responses. For more detail on how we have scaled up survey responses see methodology section.

10. Special Educational Needs in England, Academic year 2024/25, DfE.

11. Education, health and care plans, 2025, DfE

12. DSG allocations 2014-15 and 2024-25, DfE

13. LA and school expenditure, 2023-24, DfE. In calculating High Needs expenditure from section 251 returns, we have included gross spend on line 1.0.2 – high needs place funding plus all the high needs budgets lines under section 1.2.

14. Based on survey responses scaled to national. To read more about the methodology we used to scale up responses, please read the methodology section at the end of this report.

15. Number of schools from Schools, pupils and their characteristics, 2024/25, DfE

16. Expenditure up to 2023/24 is taken from LA and school expenditure, 2023-24, DfE; expenditure from 2024-25 onwards is based on local authority survey returns. Numbers of EHCPs from Education, health and care plans, 2025, DfE.

17. Calculation based on average placement costs multiplied by the numbers of children in mainstream, special and INMSS provision in 2024/25. For future years we have taken the projected EHCP numbers from the survey and assumed that the percentage of each placement type remains the same as in 2024/25.

18. For more information about how we scaled up the survey responses on the in-year deficit, please refer to the methodology section at the end of this report.

19. Isos Partnership: Towards an effective and financially sustainable approach to SEND (July 2024) <https://www.countycouncilsnetwork.org.uk/download/5402/?tmstv=1762204205>

20. Based on S251 data up to 2023/24 and survey data, scaled to national, for 2024/25

21. The Guardian (March 2025)
<https://www.theguardian.com/education/2025/mar/03/ministers-plan-major-changes-to-send-education-in-england>

22. Department for Education (March 2025)
1. <https://www.gov.uk/government/news/740-million-allocated-for-10000-new-places-for-pupils-with-send>

23. SEND reform: Education Secretary writes to the Education Select Committee (October 2025) SEND reform: Education Secretary writes to the Education Select Committee - GOV.UK

24. Government to delay SEND reforms: CCN response (October 2025)
<https://www.countycouncilsnetwork.org.uk/government-to-delay-send-reforms-ccn-response/>

Appendix 1

Methodology

The data included in this report is a combination of published data and survey data. Where published data is used the source is clearly referenced in the footnotes. The survey data is taken from the annual survey of local High Needs expenditure, undertaken by the Society of County Treasurers (SCT) and the Association of Local Authority Treasurers Society (ALATS). The survey gathered data on:

- High Needs Block allocations in the Dedicated Schools Grant (DSG)
- Transfers between Blocks in the DSG
- High needs expenditure
- Safety Valve and additional funding
- Additional local contributions
- In-year High Needs surplus or deficit
- Cumulative surplus or deficit
- Number of EHCPs
- Total SEND transport costs
- Lost interest as a result of the deficit
- Borrowing costs arising from the deficit
- Minimum revenue provision costs
- Other revenue budget costs arising from the deficit
- Usable / non-ring-fenced revenue reserves and SEND deficits as a percentage of these
- Average placement costs for mainstream, state-funded special and INMSS placements
- The likelihood of issuing a S114 notice as a result of SEND deficits, before and after the statutory override

Local authorities were asked to provide their data for the years 2024/25 through to 2028/29.

Responses were received from 96* local authorities of which 31 were CCN councils; 24 Metropolitan Districts; 21 non-CCN Unitaries; and 20 London Boroughs.

At various points in this report, the survey responses have been scaled up to estimate the national figure. For each scaled figure, we have tried to use a methodology which compensates for any bias in the survey sample.

In scaling up numbers of children and young people with EHCPs we calculated the number of children and young people with EHCPs in local authorities that responded to the survey as a proportion of all children and young people in England with EHCPs, based on published 2024/25 data. We then used that percentage as a scaling factor to estimate the national growth in EHCPs for 2025/26 to 2028/29 based on the local authority survey projections.

In scaling up High Needs expenditure we calculated the annual High Needs expenditure of local authorities responding to the survey as a proportion of national High Needs expenditure, based on published 2023-24 expenditure data. We then used that percentage as a scaling factor to estimate national expenditure from 2025-26 to 2028-29, based on local authority survey projections.

*Following the closing of the deadline for responses, further responses were received by SCT/ALATS but these were not included in the analysis contained in this report.

Scaling up Cumulative Deficits was more complex as there is no published data on cumulative deficits on which to base the calculations. We were also aware that local authorities with higher levels of deficit may have been more incentivised to respond to the survey than those in a more stable financial position. We therefore calculated the per capita in-year deficit for each local authority based on their 2023-24 High Needs Block allocation minus their published 2023-24 High Needs expenditure. We then categorised all local authorities in quartiles based on the size of their per capita in-year surplus or deficit, so Q1 authorities were the 25% with the highest per capita in-year deficit. We then calculated the population of authorities that responded to the survey as a percentage of the population of authorities in the corresponding quartile nationally. We used this percentage to scale up the deficit for each quartile and then added the four quartiles together to reach a national total.

For scaling up the in-year deficit we used the same quartile-based methodology as for the cumulative deficit above.

For scaling up the financial impact of the deficit we used the same quartile-based methodology as for the cumulative deficit above.

Appendix 2

Graphs - EHCP correlation with deprivation and population

Figure 28: Deprivation of local authorities compared with percentage of 0-25 population with EHCPs

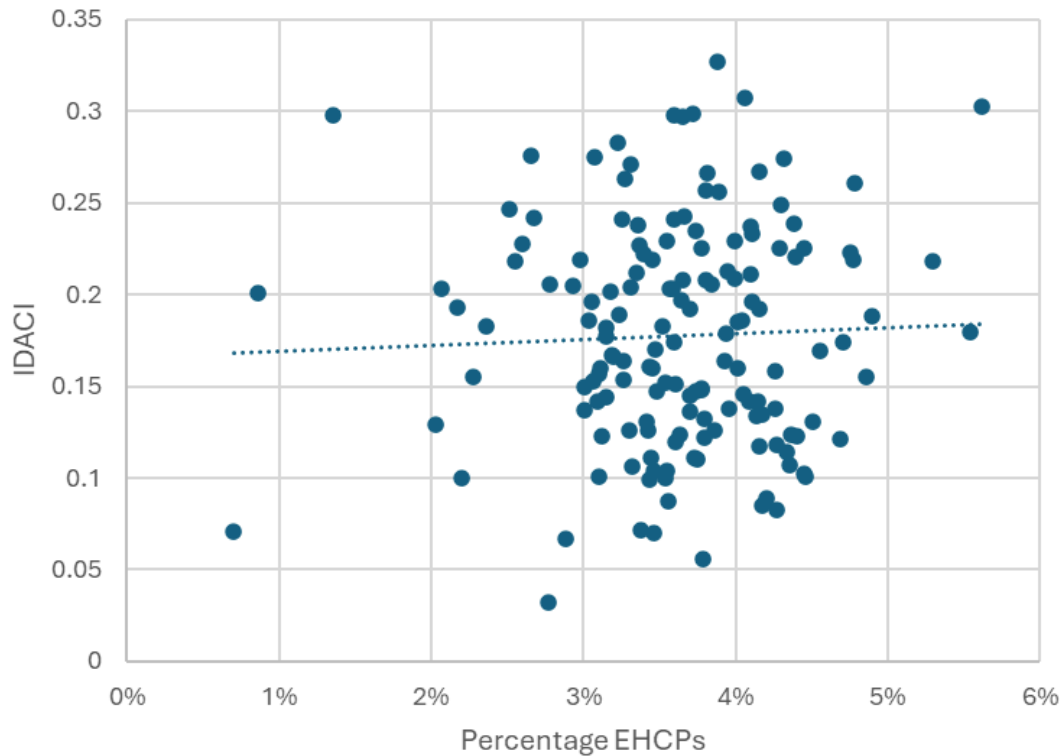
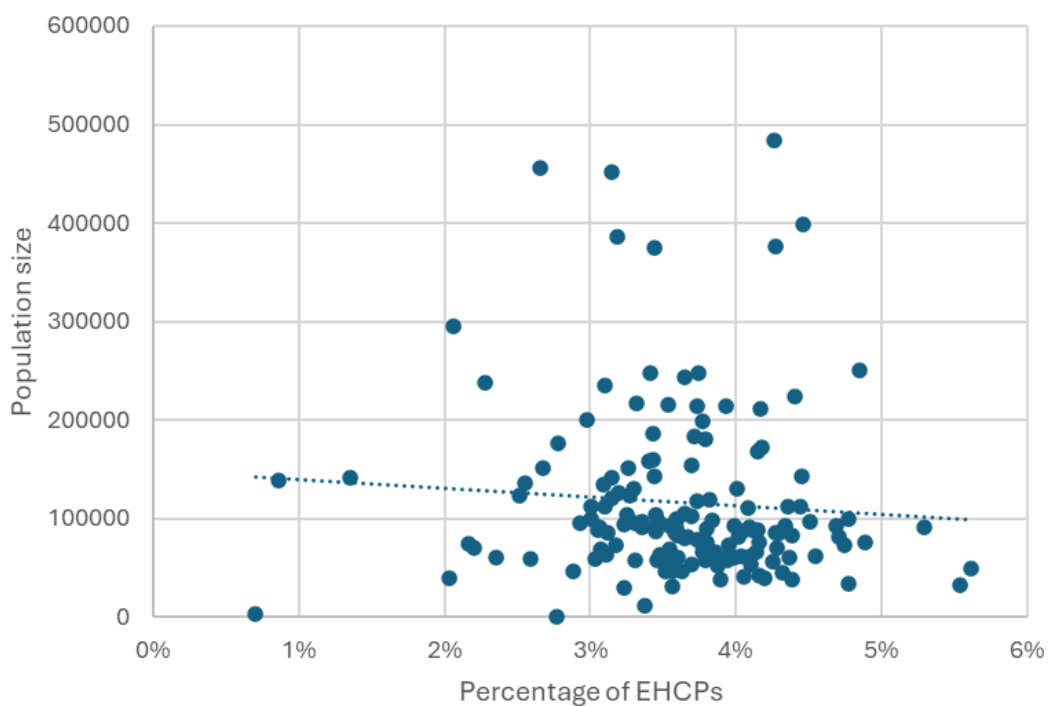


Figure 29: Size of 0-25 population compared with percentage of 0-25 population with EHCPs



Appendix 3

Breakdown of key projections by local authority type*

Projected EHCPs

LA Type	2024/25	2025/26	2026/27	2027/28	2028/29
London Boroughs	n/a	106,217	114,223	121,335	120,000
Metropolitan Boroughs	n/a	145,808	145,958	153,741	163,823
Non CCN unitary	n/a	126,585	135,879	147,574	155,780
County & CCN unitary	n/a	309,968	336,158	358,759	387,212

Projected high needs expenditure - £ million

LA Type	2024/25	2025/26	2026/27	2027/28	2028/29
London Boroughs	£2,133	£2,307	£2,399	£2,537	£2,738
Metropolitan Boroughs	£2,718	£3,030	£3,229	£3,466	£3,761
Non CCN unitary	£2,269	£2,536	£2,639	£2,731	£2,819
County & CCN unitary	£5,102	£5,841	£6,298	£6,768	£7,287

Projected cumulative deficit - £ million

LA Type	2024/25	2025/26	2026/27	2027/28	2028/29
London Boroughs	£487	£677	£883	£1,151	£1,487
Metropolitan Boroughs	£530	£1,004	£1,533	£2,120	£2,830
Non CCN unitary	£743	£1,210	£1,721	£2,297	£2,884
County & CCN unitary	£2,227	£3,661	£5,417	£7,496	£9,973

*Due to scaling and sample size of each group of local authorities, figures may not total to national figures contained in main report.

Projected revenue impact of deficit - £ million

LA Type	2024/25	2025/26	2026/27	2027/28	2028/29
London Boroughs	£52	£56	£68	£82	£100
Metropolitan Boroughs	£36	£58	£81	£104	£137
Non CCN unitary	£93	£74	£95	£132	£142
County & CCN unitary	£161	£227	£303	£438	£568

CCN

THE VOICE OF COUNTIES

CCN is the voice of England's counties. Representing the local authorities in county areas, the network is a cross-party organisation which develops policy, commissions research, and presents evidence-based solutions to issues on behalf of the largest grouping of councils in England.

In total, the 20 county councils and 18 unitary councils that make up the CCN represent 26 million residents, account for 39% of England's GVA, and deliver high-quality services that matter the most to local communities.

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