

## **CABINET**

<b>DATE</b>	11 <sup>th</sup> June 2025
<b>REPORT OF</b>	Councillor Margaret Cracknell - Portfolio Holder for Children and Education
<b>RESPONSIBLE OFFICER</b>	Ann-Marie Matson - Director of Children's Services
<b>SUBJECT</b>	Special Educational Needs and Disability (SEND)– High Needs Capital Grant Allocation 25-26
<b>STATUS</b>	Open
<b>FORWARD PLAN REF NO.</b>	CB 06/25/03

### **CONTRIBUTION TO OUR AIMS**

The project directly supports Stronger Economy, Stronger Communities by ensuring that suitable, sufficient, good quality high need pupil places are available to meet the needs of the immediate local community and new residents generated from inward investment growth.

Schools and academies are a critical element of the Borough's infrastructure and strategically, if the objective of growth is to be achieved then education sites and suitable place availability must correlate as this aspiration is realised.

### **EXECUTIVE SUMMARY**

The Higher Needs Provision Capital Allocations grant (HNPCA) aims to enable the Local Authority to invest in providing new places or to improve existing provision for pupils with high needs across a range of different educational settings.

It has been identified that there is currently a lack of provision within North East Lincolnshire which results in a disproportionate number of children and young people having to travel outside the borough to receive appropriate education.

There are no proposals yet as to how the HNPCA funding will be utilised. As proposals are developed effective engagement and consultation with parents, carers, young people, schools and academy trusts will be undertaken before decisions are made on the scheme to be implemented.

### **RECOMMENDATIONS**

It is recommended that Cabinet:

1. Authorises the Director of Children's Services in consultation with the Portfolio Holder for Children and Education to accept £2,513,893 of grant funding from the Department for Education (DfE) on behalf of the Local Authority.
2. Delegates authority to the Director of Children's Services, in consultation with the

Portfolio Holder for Children and Education to develop plans and commence related consultation and procurement exercises to deliver the scheme to provide new places or improve existing provision where this benefits children and young people with high needs.

3. Authorises the Director of Children's Services in consultation with the Portfolio Holder for Children and Education to carry out all procurement exercises in accordance with developed plans and thereafter award and implement arrangements with the ability to deal with all matters reasonably arising aligning such exercises to the SENDAP Sufficiency plans..
4. Authorises the Assistant Director Law and Governance (Monitoring Officer) to execute all documentation arising.

## **REASONS FOR DECISION**

This will enable the DfE grant funding to be received by the Local Authority and for the project to proceed to identify solutions, in consultation with parents, carers, young people, schools and academy trusts, and then to implement the development of new places or improve existing provision where this will benefit children and young people with high needs.

### **1. BACKGROUND AND ISSUES**

- 1.1 In March 2025 the Local Authority was informed that we had been allocated £2,513,893 HNPCA funding for financial year 2025-26 to support the creation of High Needs places or the improvement of existing provision.
- 1.2 Funding for years beyond 2025-26 will be subject to the outcomes of the Government's next Spending Review and the current guidance should not be taken as an indication of any future methodology or approach to High Needs capital funding.
- 1.3 The HNPCA is being provided as an un-ringfenced grant, subject to certain conditions detailed in the Grant Determination Letter. The funding is intended to address the need for places for academic year 2025/26 but it is not time bound, and it will be for the Local Authority to determine how best to use this funding to meet our local priorities.
- 1.4 Funding will be paid to the Local Authority in one instalment in July 2025 and whilst the grant funding is not ring-fenced there is a requirement to verify that this funding has been spent on capital projects through the section 151 officer's return.
- 1.5 North East Lincolnshire's children and young people with special educational needs are currently being poorly served by a lack of local provision which results in a disproportionate number having to travel outside the borough to receive appropriate education. North East Lincolnshire is placing over 60 children outside the borough at a substantial cost to the High Needs budget.
- 1.6 There has been a rise in the numbers of children and young people who

require additional support through an Education Health and Care Plan.

- 1.7 There is a predicted growth in North East Lincolnshire's population, leading to a rise in the numbers of school age children and a corresponding rise in the numbers of children and young people with special educational needs that cannot be met within the mainstream sector.
- 1.8 The primary need of children in receipt of an EHCP for the majority of placements outside North East Lincolnshire are within the area of Social Emotional and Mental Health (SEMH) or Autism spectrum disorder (ASD).
- 1.9 The two special provisions are full with very little physical capacity to increase numbers currently.
- 1.10 The initial proposal is to contribute £1.5million to a new project happening in conjunction with Humberston Park Special School to increase numbers and develop a second site.
- 1.11 There are no further firm proposals yet as to how the rest of the funding will be utilised. Proposals will align to the SENDAP Sufficiency strategy launched in July 2024. As proposals are developed effective engagement and consultation with parents, carers, young people, schools and Academy Trusts will be undertaken before decisions are made on the scheme to be implemented.

## **2. RISKS, OPPORTUNITIES AND EQUALITY ISSUES**

- 2.1 There is a significant risk that the Local Authority will be unable to meet its statutory duty under the Education Act to provide sufficient, suitable places for the children in the borough to go to school, resulting in reputational damage and possible intervention from Government Office.
- 2.2 The impact of not having the capital secured for future years will result in a delay in the programme delivery, not achieving timely spend and would result in places not being available to meet demand.
- 2.3 It is anticipated that the high need requirements will be funded through capital receipts in future years, however until those are released and until such time as this funding is forthcoming it should be assumed as part of the Local Authority's capital programme to ensure the programme of increasing high need pupil places continues to mitigate the risks as outlined.
- 2.4 The Local Authority has a statutory duty to ensure the provision of suitable and sufficient school places. Further consideration is urgently required regarding how they can have comfort for its citizens that sufficient, suitable places are available for its pupil cohort with high needs. The Local Authority will need to grow strategic sites across the borough with the support of capital allocations to ensure that sites have the required and suitable provision.

- 2.5 There is a high level, 95%, of academisation in the borough and the Local Authority will be reliant on working with the academies and Trusts where there may be opportunities to develop provision. There is a risk that an Academy or Trust may not wish to develop SEND provision within their schools and Trusts.

### **3. OTHER OPTIONS CONSIDERED**

- 3.1 Decline the DfE grant funding and do nothing – There would be no increase in places or improvement to existing provision for pupils with high need across the borough.
- 3.2 Decline the DfE grant funding and seek to use capital funding from the Local Authority. This option would increase Local Authority expenditure unnecessarily given the DfE grant funding offer that is available.

### **4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS**

- 4.1. There are potential positive reputational implications for the Local Authority resulting from the decision as it will provide assurances that progress is being made towards the delivery of new places or improvements to existing provisions for pupils with high needs across a range of educational settings, as identified in the SENDAP Sufficiency strategy.
- 4.2. The Council's communications team are integrated as part of each project undertaken that is funded by the High Needs Capital Grant. .

### **5. FINANCIAL CONSIDERATIONS**

- 5.1 The HNPCA grant funding offers £2,513,893 towards the cost of providing new places or improving existing provision for pupils with high needs across a range of educational settings.
- 5.2 The capital and revenue costs of expanding an established school or academy would be significantly less than the expenditure required to acquire suitable sites and build new schools/academies across the borough.
- 5.3 The Council has no indication of grant allocations post 2025/26 should the sum allocated not be sufficient to complete the identified project the Council would need to prioritise and realign budgets to provide any additional funding required to meet its statutory requirement.

### **6. CHILDREN AND YOUNG PEOPLE IMPLICATIONS**

- 6.1 Approving the decision to accept the grant will enable children and young people with SEND to be educated in their communities in spaces and places which are fit for purpose and meet identified needs, rather than having to be transported to external provision due to lack of sufficiency in North East Lincolnshire.
- 6.2 Children and young people have been consulted about the projects in the programme and their voices will continue to be captured and inform design

and development of the spaces , enabled by the grant funding . as a result High Needs Capital Programme They will be involved in design and creation of the spaces for each project.

## **7. CLIMATE CHANGE, NATURE RECOVERY AND ENVIRONMENTAL IMPLICATIONS**

- 7.1 All of the local authority's school schemes incorporate wherever possible, energy efficient saving measures which are already captured within the Schools Asset Management Plans. Any new advancements in technology and materials are also considered, explored and implemented wherever possible.
- 7.2 Educating children and young people in their own communities will positively impact on environment due to the reduction in transport.

## **8 CONSULTATION WITH SCRUTINY**

There has been no consultation with Scrutiny on the grant allocation for 2025/26 financial year, however the SENDAP sufficiency strategy has been fully consulted on, and previous grant allocations have been.

## **9 FINANCIAL IMPLICATIONS**

Acceptance of the grant funding will enable the authority to increase and improve our in-borough high needs offer. This approach will help to mitigate the use of more costly external placements and associated transport costs and in turn deliver a revenue return.

## **10. LEGAL IMPLICATIONS**

- 10.1. Immediate legal implications arising will be around the terms and conditions of external grant funding and the completion of funding agreements and ancillary documentation. Legal Services will support this process, ensuring the interests of the Council are protected.
- 10.2. As individual projects arise throughout the delivery phase Legal Services will continue to support colleagues.
- 10.3. The procurement exercises will be conducted so as to comply with the Council's policy and legal obligations, specifically in compliance with the Council's Contract Procedure Rules and the Public Contracts Regulations 2015 and supported by relevant officers.
- 10.4. The delegations sought are appropriate to an exercise of this nature .

## **11. HUMAN RESOURCES IMPLICATIONS**

There are no direct HR implications arising from the contents of this report.

**12. WARD IMPLICATIONS**

Impacts on all wards

**13. BACKGROUND PAPERS**

[SENDAP Sufficiency Strategy 2024-2029](#)

[HNPCA 2025-26 Grant Spend Guidance](#)

Cabinet report 2023 – Resource Specialist provisions

**14. CONTACT OFFICER(S)**

Ann-Marie Matson - Director of Children's Services

Jenni Steel – Service Director Education and Inclusion

Rebecca Taylor – Head of SEND and Inclusion

**COUNCILLOR MARGARET CRACKNELL- PORTFOLIO FOR CHILDREN  
AND EDUCATION**