Crisis in UK special needs education escalates as Labour announces a fraudulent inquiry

Tania Kent 7 January 2025

The crisis in Special Educational Needs and Disabilities (SEND) funding and placements in Britain continues to expand as councils—tasked with providing placements and resources—face imminent bankruptcy. Families, sometimes waiting years to receive educational support for their children, are at breaking point.

The need for SEND placements had already surged to over half a million (576,000) as of January 24 last year, while education funding is still at 2009/10 levels in real terms after over a decade of austerity.

Families have a statutory right to demand their local authority provide Education and Health Care Plans (EHCP) to children who have been identified as having a special educational need, granting them additional support to access learning—including one-on-one support, transport services and, in some cases, access to private education.

According to analysis by the *Guardian*, more than £100 million was spent last year by local authorities and the government on failed efforts to *block* this support. They won just 136 out of more than 10,000 tribunals in 2022-23, a success rate of 1.2 percent.

A spokesperson for the Independent Provider of Special Education Advice, a charity providing free legal support to families, said, "It's hard to avoid the conclusion that local authorities must calculate, at some level, that it costs them less to contest tribunal appeals, even if they lose, than to provide every child and young person with what the law entitles them to as a matter of course—because the majority of families don't [or] can't appeal."

In 2022-23, the SEND tribunal registered 13,658 appeals against EHCP decisions, a 24 percent increase from the 11,052 the previous year. The latest data, published last month, showed that tribunal costs will

continue to surge after 21,000 appeals were registered in 2023-24—an annual increase of 55 percent. Only 17,000 were concluded, adding to the 9,000-case backlog.

The number of children and young people requiring special education needs support in England has more than doubled over the past decade, according to the National Audit Office (NAO). Almost five percent of all students now have a special needs plan, up from a steady rate of 2.9 percent between 2000 and 2018, according to the IFS.

Meanwhile, local government funding has collapsed, with several authorities already going bankrupt and dozens more at risk. SEND costs are a major factor. According to an estimate by the IFS, councils will be running a collective £3.3 billion high-needs provision budget deficit this year, which it warned could rise to £8 billion in the next three years.

Lack of places is a major problem, with two-thirds of special schools full or over capacity. Tory and Labour government plans for expansion are grindingly slow. Of the just 67 new special schools in the pipeline, almost a third were approved more than four years ago, according to the *Financial Times*. Only 36 state special schools are expected to open by 2025-26, down from a previously estimated 47—plus four "alternative provision" schools, down from 6.

A lack of state-maintained places means local authorities are increasingly having to turn to costly private providers, who are making fortunes out the expanding business. While the number of local authority special school increased just 6 percent between 2018-19 and 2022-23 (to 1,050) the number of independent special schools increased 49 percent to 728.

A SEND place in the state sector costs an average of

£24,000 a year, versus £62,000 in the private sector. In total, private places cost councils £2 billion in 2022-23, up 46 percent since 2018.

Among the beneficiaries is Outcomes First Group, which increased its revenues by 87 percent between 2019 and 2023, with profits up almost ninefold from £3.3 million to £27 million. Witherslack Group's revenues went up 130 percent in the same period, while profits more than tripled to £36 million. Both Outcomes First and Witherslack are owned by private equity groups.

The previous Conservative government allowed councils' high-needs deficits to sit off their balance sheets to avert a wave of bankruptcies. Originally in place until 2024, this "statutory override" was extended to March 2026 on the understanding that 10 councils would otherwise have had to formally declare bankruptcy "overnight". The National Audit Office has warned that four in ten councils are likely to be at risk of bankruptcy with the expiration of the new deadline.

Government SEND "bailouts" have meanwhile been made to the tune of £1 billion pounds, always at the cost of "reforms" cutting provision. One council refused a deal because it said expected cuts would break the law.

This is the direction of travel. Last month, Education Secretary Bridget Phillipson announced a paltry £740 million capital allocation for mainstream schools to adapt buildings and facilities to accept more SEND pupils. Labour's main plan is to restrict eligibility for support.

At end of December 2024, MPs on Parliament's cross-party education select committee announced a SEND inquiry. Like all previous inquiries into the crisis in education, it will provide a pretext for slashing government provision in the name of efficiency and giving handouts to the private sector.

Education Committee Chair Helen Hayes MP made clear the primary concern of the announced inquiry is the financial drain on the government purse. "This crisis has many symptoms that bleed into the rest of the education system: from attrition in the teaching workforce to soaring levels of pupil absence. There are also symptoms which blight local councils' budgets—ever increasing spending on transporting pupils to settings far from where they live, and the chaos of money being poured into tribunals that parents

are expected to win," she said.

According to analysis by the *Financial Times*, thousands fewer students could be entitled to the full package of special educational support in England under changes being considered by Labour. The proposals involve changes to the system that underpins the provision of support, likely to affect children on the "lighter" end of a range of conditions such as ADHD and autism spectrum disorder, according to a senior official. "It would mean thousands fewer pupils getting statements," they said.

The continued starving of resources to SEND is of a piece with Labour's taking fuel allowances from pensioners, refusing to scrap the two-child benefit cap, and insistence on 5 percent "efficiencies" in every department. Growing private sector involvement in special educational needs provision aligns with the government's plans for the National Health Service. The only area of state spending for which Starmer insists money must be found at all costs is on the military.

The fight for high-quality education for all must be linked to a broader struggle against rampant social inequality and militarism, based on a mobilisation of educators alongside broader sections of the working class. Those who want to take up this fight should support the Educators Rank-and-File Committee.



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