

Appendix 2

Impact of Inclusive Practice on the High Needs Block of Dedicated Schools Grant

- Embedding inclusive practice in mainstream schools improves outcomes for children and young people with SEND and makes the High Needs Block more financially sustainable.
- When schools are more inclusive, more pupils can have their needs met locally, reducing reliance on costly specialist or independent placements. For example, avoiding ten independent specialist placements could save **£400,000–£500,000 a year.**
- Investing in early intervention, workforce development and targeted support helps manage the growth of EHCPs by meeting needs before formal assessment is required.
- Developing local, inclusive capacity can typically save **50–70% per pupil** compared to external specialist placements and also reduces transport costs.
- Over time, these savings offset the initial investment, creating a more sustainable financial model.
- Initial modelling based on current average spend on high-cost placements compared to access to local inclusive provision indicates that improvements could save between **£1 million and £4million** annually.
- Beyond financial benefits, inclusion supports better learning, emotional wellbeing, and smoother transitions, creating a fairer and more resilient SEND system for all learners.
- In Cheshire East, indicative average annual costs for an EHCP by setting type are:

Setting type	Approximate average cost per year
Mainstream	£7,593
Special school	£25,000
Independent specialist provision	Over £60,000