

Saqib Bhatti MBE MP
Member of Parliament for Meriden and
Solihull East
House of Commons
London SW1A 0AA

Professor David Miles and Tom Josephs
Members of the Budget Responsibility Committee
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14 May 2026

Dear Saqib Bhatti MBE MP,

Thank you for your letter to the OBR's Chief of Staff of 22 April 2026, regarding the reflection of special educational needs and disabilities (SEND) funding and spending pressures in our recent forecasts.

Our November 2025 forecast, where we estimated that the Government faced a £6.3 billion pressure from funding all SEND spending within the overall DEL envelope from 2028-29, was finalised before the *Every Child Achieving and Thriving* white paper was produced. Our March 2026 forecast incorporated our assessment of the fiscal implications of the plans set out in the white paper.

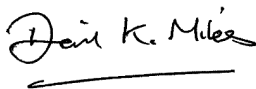
We set out this assessment in the March 2026 *Economic and fiscal outlook*:¹

"In November 2025, we estimated that the Government faced a £6.3 billion pressure from funding all SEND spending within the overall DEL envelope from 2028-29. The Government has since increased the RDEL envelope by £4.1 billion in 2028-29 and published SEND policy reform plans in the Every Child Achieving and Thriving white paper. The provision of this additional funding has materially reduced the spending pressure, but uncertainty around the impact of the reforms represents a continued risk to the forecast.

The Government's modelling assumes that the rate of increase in new Education, Health and Care Plans (EHCPs) will slow between now and 2029-30 and projects that the share of school pupils with an EHCP will fall from 2029-30 onwards.² However, the Government has not set out specifically how the reforms will deliver this or provided estimates of any related cost savings. Previous changes to the eligibility for public spending programmes, such as the replacement of disability living allowance with personal independence payment for extra-cost disability benefits, did not achieve the savings planned.³ There is also a risk that reforms could increase spending in the short term if the volume of assessments increases ahead of September 2029 when EHCP assessments are due to change."

In line with OBR policy, we will be publishing this reply together with your original letter on our website.

Yours Sincerely,



Professor David Miles Tom Josephs
Members of the Budget Responsibility Committee

¹ March 2026 *Economic and fiscal outlook*, paragraph 4.13

² An EHCP is a legally binding document in England for children and young people (up to age 25) with complex special educational needs and disabilities outlining the support they need that must be provided by the local authority. See 'Modelling assumptions (2026/27 to 2028/29)' included in Department for Education, Annex: *Background on projections*, February 2026.

³ OBR, *Welfare trends report*, January 2019.