

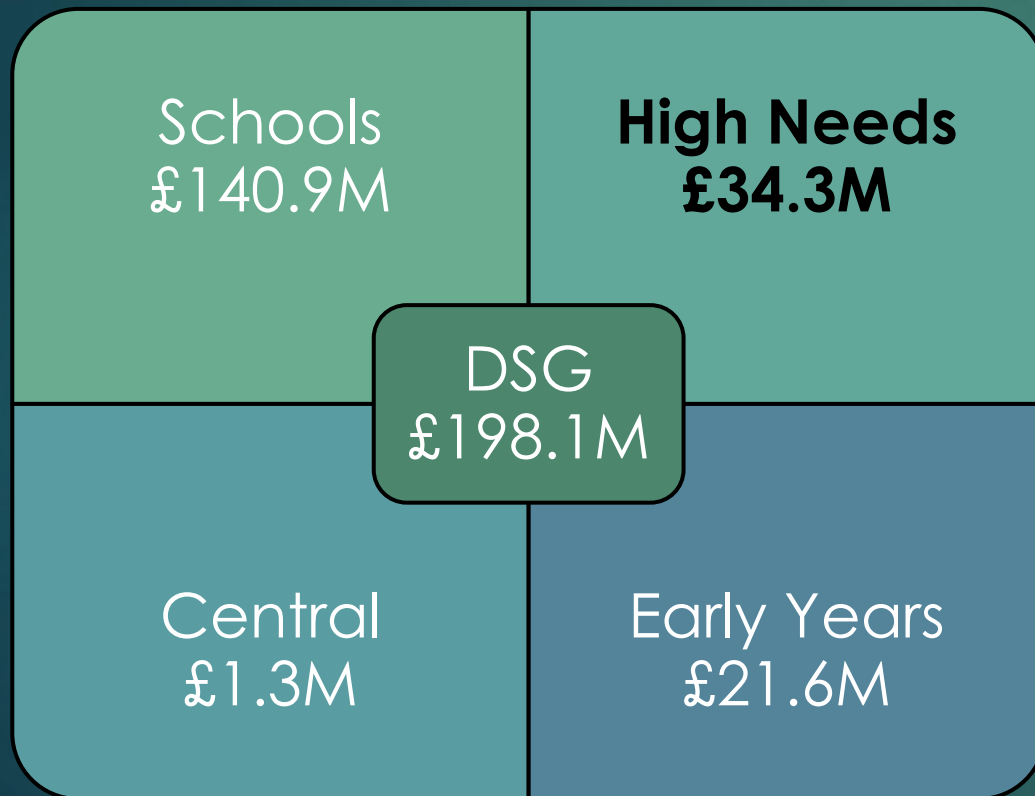
DSG - High Needs Block 2025/26

REBECCA TAYLOR – HEAD OF SEND AND INCLUSION

LIZ BRUMMER – STRATEGIC FINANCE LEAD

Overview

High Needs is one of four blocks that make up the total Dedicated Schools Grant (DSG), with allocations for 2025/26 confirmed as follows:



The 2025/26 High Needs Block provisional allocation of £34.3M.

This is an increase of £2.8M against the 2024/25 allocation of £31.5M, however the historical teachers pay and pension grant has been rolled into the high needs block. The increase needs to cover those payments as well as price increases for providers and growth in the system

The figures quoted are before EFSA recoupment

Current Position

DSG is in a deficit position due to cost pressures and increasing high needs activity.

The cumulative deficit at the end of 2023/24 was £4.0M, this is forecast to increase to £12.2M deficit at the end of 2024/25 due to an in year overspend of £8.2M

An exemption is in place where there is no requirement for the Council's general fund to meet any deficit or for the DSG to balance, however this expires 31st March 2026.

Upon expiry of the exemption actions will need to be considered to balance the DSG, the option to top-slice the Schools Block cannot be ruled out if regulations allow this.

Cumulative DSG Position				
Authority	Surplus/(Unusable Reserve)		DFE Support	Set Aside to Offset (Inc SV) £M
	2022/23 £M	2023/24 £M		
Lincolnshire	16.0	16.3		
North Lincolnshire	6.9	7.0		
North East Lincolnshire	(1.5)	(4.0)	DBV	
Hull	(3.5)	(3.5)	DBV	2.2
Rotherham	(21.3)	(21.3)	SV	20.3
Barnsley	(17.9)	(17.9)	SV	5.7
East Riding	(14.9)	(23.4)	DBV	
Doncaster	(19.8)	(25.3)	DBV	

2025/26 High Needs Block

The following factors have been considered when allocating the 2025/26 High Needs Block:

- ▶ Increase in demand and complexity
- ▶ Current spend commitments
- ▶ Provider market in respect of price/rate uplifts
- ▶ The current DSG position and outturn forecast
- ▶ The mix of places and need to facilitate mainstream inclusion where possible

As a result, budgeted expenditure totals £36.4M, our HNB allocation after ESFA recoupment is £26.9M. Therefore, we are forecasting a **£9.5M** in year deficit during 2025/26. This would increase our cumulative deficit to around **£21.7M**.

	Budgeted 2024/25	Budgeted 2025/26		
	£'000	£'000		
HNB Allocation	31,450	34,283		
Less: ESFA Recoupment	(7,158)	(7,399)		
Net Allocation	24,292	26,884		
			Change	Comment
Special Academy School Top-Ups	4,860	6,039	1,179	Increase in price and mix of placements
Agency Placements	12,600	15,000	2,400	Projected increase in demand and price
Top-Up Funding Mainstream	4,350	6,562	2,212	Expected increase in demand in line with trend trajectories
SEN Equipment	8	10		
PRU & AP Provision - net of recoupment	1,833	2,443	610	Increase due to additional demand places
EY SEN Inclusion Fund	300	448	148	
Primary Resource Base	890	1,130	240	Increase due to new RSPs
Post 16	1,666	2,000	334	
SEN Services	1,255	1,885	630	
Hearing & Vision Service /Other Outreach	876	916	40	
Mainstream Inclusion Funding	60		(60)	
Total	28,698	36,433	7,733	
(Under)/Over Allocation	4,406	9,549		

DBV and Mitigations

Delivering Better Value (DBV) project provides £1M in grant funding over a 2 academic year period which is due to end June 2025. This aims to support local authorities to improve the delivery of SEND services for children and young people whilst working towards financial sustainability.

Post June 2025, we need to ensure that the progress made by DBV continues, this is reflected in the number of resource provisions and other projects that are being opened during 2025/26 with costs for these settings are factored into the high needs block forecasts.

Details of planned changes in places in settings are detailed on the next page.

	Sep-23	Sep-24	Sep-25	Sep-26	Sep-27	Sep-28
Littlecoates	6	12	12	12	12	12
Yarborough			8	8	8	8
Waltham Gateway			6	8	10	12
Scartho Gateway			6	8	10	12
Primary total	6	12	32	36	40	44
Primary total new	6	6	20	4	4	4
Healing			6	12	12	12
Tollbar Lighthouse			6	10	12	12
Tollbar Gatehouse			6	10	12	12
Secondary total	0	0	18	32	36	36
Secondary total new	0	0	18	14	4	0
Cambridge Park	240	240	240	240	240	240
Humberston Park	140	140	131	131	131	131
Springwell Grimsby					30	70
Special total	380	380	371	371	401	441
Special total new/repurposed places	0	0	3	7	33	62
Grand Total	386	392	421	439	477	521
Total new high needs places	6	6	41	25	41	66