

Appendix 5 - DSG High Needs Block Allocations 2025/26

1. The council's high needs block allocation for 2025/26 is set out in the tables below.
2. High Needs allocation with a 0.7% Block Transfer.

Cheshire East - DSG Block Allocations	2024/25 £m	2025/26 0.7% £m	Year on Year Change £m	Year on Year Change %
High Needs Block	58.5	63.4	4.9	8.4%
Block Transfer from Schools Block	1.4	2.1	0.7	50.0%
Total High Needs Funding	59.9	65.5	5.6	9.3%

Note £4.2m of the High Needs increase relates to the 7% increase on 2024/25 levels and £0.7m relates to growth within the formula allocations regarding pupil numbers and proxy indicators.

3. High Needs Allocation with a 0.5% Block Transfer

Cheshire East - DSG Block Allocations	2024/25 £m	2025/26 £m	Year on Year Change £m	Year on Year Change %
High Needs Block	58.5	63.4	4.9	8.4%
Block Transfer from Schools Block	1.4	1.5	0.1	7.1%
Total High Needs Funding	59.9	64.9	5.0	8.3%

Note £4.2m of the High Needs increase relates to the 7% increase on 2024/25 levels and £0.7m relates to growth within the formula allocations regarding pupil numbers and proxy indicators.

4. The funding is provided to meet the costs of pupils with education, health and care plans and is under significant pressure from increasing demand.
5. The provisional allocations of the budgets, based on 2024/25, are set out in the tables below:

Summary of High Needs Spend – Block Transfer 0.7%

2025/26

Summary of High Needs Spend

	£m	£m	£m
High Needs Block Allocation			(63.4)
HN Block Transfer from Schools Block 0.7% (as per mgmt plan)			<u>(2.1)</u>
Total Income			<u>(65.5)</u>
- Import/Export adjustment income (forecast included in expenditure totals)			0.3
- Teachers Pay and Pensions			<u>0.8</u>
Adjusted High Needs Block Allocation			<u>(64.4)</u>

Expenditure forecast approved as part of DSG Management plan

Brought forward DSG Reserve Deficit (FR3 update)			115.7
Post 16 places & Top up Funding	6.6		
Resource Provision Places & Top Up funding	4.4		
Top-up Funding for mainstream (including PVI/Nursery)	21.4		
Special Schools including supported internships	22.3		
Alternative Provision	1.5		
Independent and non maintained schools	38.9		
Outreach & targeted support	0.9		
		96.0	

Service Allocations

Additional services to support children including the tuition team, autism service, sensory service, speech and language support and the virtual school.	4.1		
Early Years - high needs support	0.3		
		4.4	

Total Estimated In-Year Expenditure **100.4**

Expenditure relating to growth in pupil numbers from per HN pupil tool **0.7**

Estimated DSG Reserve Deficit at 31 March 2026 **152.5**

Additional Income - use to be determined **2.3**

Estimated DSG Reserve Deficit at 31 March 2026 (FR3 forecast) **154.8**

Summary of High Needs Spend – Block Transfer 0.5%

2025/26

Summary of High Needs Spend

	£m	£m	£m
High Needs Block Allocation			(63.4)
HN Block Transfer from Schools Block 0.5% (Lower than mgmt plan)			<u>(1.5)</u>
Total Income			<u>(64.9)</u>
- Import/Export adjustment income (forecast included in expenditure totals)			0.3
- Teachers Pay and Pensions			0.8
Adjusted High Needs Block Allocation			<u>(63.7)</u>
Expenditure forecast approved as part of DSG Management plan			
Brought forward DSG Reserve Deficit (FR3 update)			115.7
Post 16 places & Top up Funding	6.6		
Resource Provision Places & Top Up funding	4.4		
Top-up Funding for mainstream (including PVI/Nursery)	21.4		
Special Schools including supported internships	22.3		
Alternative Provision	1.5		
Independent and non maintained schools	38.9		
Outreach & targeted support	0.9		
		96.0	
Service Allocations			
Additional services to support children including the tuition team, autism service, sensory service, speech and language support and the virtual school.	4.1		
Early Years - high needs support	0.3		
		4.4	
Total Estimated In-Year Expenditure			100.4
Expenditure relating to growth in pupil numbers from per HN pupil tool			0.7
Estimated DSG Reserve Deficit at 31 March 2026			<u>153.1</u>
Additional Income - use to be determined			1.7
Estimated DSG Reserve Deficit at 31 March 2026 (FR3 forecast)			<u>154.8</u>

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