

DSG financial position since LGR 2019 – 2025 actual, budget 2025/26 and existing forecast 2026 – 29

	actual	actual	actual	actual	actual	actual	budget	Forecast*	Forecast*	Forecast*
	19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29
Total HNB Spend	45.930	48.616	61.134	69.874	87.779	111.906	123.211	141.974	149.150	154.697
DSG HNB Funding – note 1	(38.885)	(42.969)	(47.822)	(54.361)	(59.162)	(60.710)	(64.472)	(68.450)	(72.557)	(76.910)
Council contribution – note 2	(2.400)									
School block transfer – note 2	(2.394)	(1.046)	(1.094)			(1.324)	(1.237)			
In-year deficit	2.251	4.601	12.218	15.513	28.617	49.872	57.502	73.524	76.593	77.787
Deficit brought forward	3.605	4.644	7.853	20.317	35.844	63.512	113.256	170.758	244.282	320.875
Other DSG variances	(1.212)	(1.392)	0.246	0.014	(0.949)	(0.128)				
Deficit carried forward	4.644	7.853	20.317	35.844	63.512	113.256	170.758	244.282	320.875	398.662
Percentage increase high needs spend from previous year		6%	26%	14%	26%	27%	10%	15%	5%	4%
Percentage increase high needs funding from previous year		11%	11%	14%	9%	3%	6%	6%	6%	6%

*The current forecast was prepared for January 2025.

Notes:

- DSG high needs block funding** includes teacher’s pay and pensions and other grants and allocations from the DfE paid directly to schools initially and then subsumed into the DSG. These legacy grants must be paid over to BCP maintained and academy special schools and alternative provision Core funding increases for growing demand and non-state provision is, therefore, well below the increased funding levels shown over 2021 to 2024.
- Other funding.** In 2019/20 the council was able to contribute its own funds to the DSG to prevent high needs block deficits escalating. In this year the DfE also allowed for BCP, a transfer of funding from the school block above 0.5% (regulation maximum without DfE approval) with mainstream schools NFF allocations reduced. The DfE would not agree transfers above 0.5% in future years. In 2022/23 the surplus school block funding was low, and the school’s forum transferred an amount to increase funding for early years providers. in 2023/24 the small surplus was applied to the deficit. In 2024/25 and 2025/26 the school’s forum agreed surplus school block funding can be transferred to high needs, but it is to be spent to the benefit of pupils with high needs remaining in mainstream schools. Note that this funding must be agreed on an annual basis and is not cumulative.