

Report to the Schools Forum

Meeting to be held on Friday 3rd July 2026

Item 6

SEND Reform Plan (DSG Forecast Update)

Contact for further information:

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Brief Summary

This report summarises the updated Dedicated Schools Grant Forecast as per the SEND Reform Plan which was submitted to the Department for Education on Friday 19 June 2026.

Recommendation

The Forum is asked to:

- a) Note the report.

Detail

In February 2026, due to the increasing Dedicated Schools Grant (DSG) deficits forecasted nationally, the government announced the High Needs Stability Grant, which subject to the approval of the Council's SEND reform plan from the Department for Education (DfE), will cover 90% of the DSG deficit at March 2026.

The Council's SEND reform plan was submitted on 19 June 2026 which sets out a clear pathway towards an inclusive system that meets the needs of children and young people and supports the wider vision for SEND reform.

Within the Council's SEND reform plan, a revised DSG forecast set out the 2026/27 and 2027/28 financial projections based on updated EHCP forecasts and the HNB mitigations. These are shown in the below graphs and show the impact before and after the 90% HNB stability grant is applied.

Due to the increasing demand, the Council's SEND reform plan shows the DSG deficit is forecast to grow to £423.42m by March 2028. Assuming the Council's SEND reform plan is approved by the DfE and the Council receives the 90% High Needs Stability Grant, the total DSG deficit is forecast to reduce to £160.91m by March 2027, and £187.16m by March 2028.



DSG Monitoring P1-2 2026/27			
	Budget (£m)	Forecast (£m)	Variance (£m)
	Under (-) Over (+)		
High Needs Block	227.92	377.79	149.87
Early Years Block	234.41	234.41	0.00
Schools Block	1090.17	1090.07	-0.10
Central School Services Block	8.64	8.42	-0.22
Early Years Block DSG Adj 2025/26	0.00	1.20	1.20
Total	1561.13	1711.88	150.75

