


Agenda Item 5

	London Borough of Hammersmith & Fulham SCHOOLS FORUM 21st January 2025
High Needs Block 2025/26 Update	
Open	
Classification - For scrutiny, review and comment	
Key Decision:	
Wards Affected: (All Wards): All	
Accountable Director: Jacqui McShannon, Executive Director of People	
Report Authors:	
Peter Haylock – Operational Director of Education and SEND	
Tony Burton – Head of Finance Children’s Services and Education	
Purpose of the report	
This report sets out the final High Needs Block allocation of the Dedicated Schools Grant for 2025/26 following the receipt of final funding in December 2024.	
Schools Forum are asked to note the contents of the report.	

Introduction

1. The 2025/26 DSG High Needs Block (HNB) provisional allocation is £40.567m. This represents a 6.7% or £2.548m increase on the 2024/25 final allocation.
2. The provisional HNB allocation represents a 7% increase per head of population. Nationally the per head of population increase is being set at between 7% and capped at 10%.
3. The Department for Education (DfE) has set a Minimum Funding Guarantee for Special Schools of 0% in 2025/26 ensuring that no special school will see a reduction in its total budget on a per pupil basis to that in the financial year 2024/25. Due to continued pressure versus block funding, the intention is to apply 0%. However, special and alternative provision increases will be led by School Resource Management Advisors review work undertaken with schools around sustainability of funding linked to efficiencies and transformation work.

2024/25 and 2025/26 High Needs Block Budget and forecast

4. The budget and forecast include a 1% transfer from the Schools Block, the transfer for 2025/26 is estimated pending the final Schools Block allocation and the approval of the transfer from the Minister of State for Education.

Category	2024/25 Budget £m	2024/25 Q3 Forecast £m	2025/26 Budget £m
Placement costs	35.309	35.347	37.619
Alternative Provision	1.087	0.987	1.087
Commissioned Services	1.695	1.811	1.695
SEND Service	1.042	0.984	1.042
Other	0.557	0.557	0.557
Discretionary payments	0.040	0.040	0.040
Total HNB including Schools Block contribution	39.730	39.726	42.040
Schools block transfer	1.179	1.179	1.230
Contribution from CSSB	0.551	0.551	0.243
Total DfE HNB allocation	38.000	37.996	40.567

Recommendation

5. The High Needs Block budget in Hammersmith & Fulham are significant in value at £40.567m. The application of the Dedicated Schools Grant is regulated by grant conditions and the requirements of the national funding formula funding guidance. Local authorities must work with Schools Forum and education leaders to agree effective, efficient and value for money budgets.

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