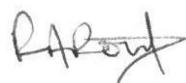


Public Document Pack



Schools Forum

**Wednesday, 25 February 2026 4.00 p.m.
Civic Suite, Town Hall, Runcorn**

A handwritten signature in black ink, appearing to read 'R. A. Bent'.

Interim Chief Executive

*Please contact Isabelle Moorhouse on 01515113979 or
isabelle.moorhouse@halton.gov.uk for further information.*

**ITEMS TO BE DEALT WITH
IN THE PRESENCE OF THE PRESS AND PUBLIC**

Part I

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In accordance with the Health and Safety at Work Act the Council is required to notify those attending meetings of the fire evacuation procedures. A copy has previously been circulated to Members and instructions are located in all rooms within the Civic block.

SCHOOLS FORUM

At a meeting of the Schools Forum on Wednesday, 21 January 2026 at the Board Room - Municipal Building, Widnes

Present:

- J. Wilson, Secondary Governor Representative (Chair)
- S. Ainsworth, Special Academy Schools Representative
- B. Barton, 16–19 Provision Representative
- G. Bradbury, Financial Management, HBC
- J. Coughlan, Primary School Representative (Infants)
- B. Holmes, Education, Inclusion and Provision, HBC
- J. Jardine, All Through School Representative
- B. Jones, PVI Representative
- C. Liku, Community Nursery Schools Representative
- J. O'Connor, PVI Representative
- J. Robertson, Small Primary School Representative
- A. Sheppard, VA Schools Representative
- N. Shafiq, Financial Management, HBC
- J. Thompson, Community Special Schools Representative
- I. Moorhouse, Democratic Services, HBC

**ITEM DEALT WITH
UNDER DUTIES
EXERCISABLE BY THE BOARD**

	<i>Action</i>
SCF9 APOLOGIES FOR ABSENCE	<p>Apologies were received from Karl Landrum - Primary School with a Nursery representative.</p>
SCF10 MINUTES	<p>The minutes of the meeting held on 11 June 2025 were agreed as a correct record.</p> <p>It was confirmed that School Balances would be brought to the Forum after the end of the financial year.</p> <p>In terms of speech services, it was noted that the contract with the previous service provider ended in October 2025. Two extensions were made with the contract to address issues between the Council and ICB (Integrated Care Board) regarding data transfers between providers. From a school finance perspective, the additional funding agreed in 2025 was utilised to build further capacity with speech and language services. The Council had a statutory duty to maintain these services for children with EHCPs.</p>

SCF11 DSG AND SCHOOLS' FUNDING FOR 2026/27

The Forum was presented with the Dedicated Schools Grant (DSG) and School's Funding for 2026/27. The gross Schools Grant allocation for 2026/27 was announced on the 17th December as £178.850m.

There was no Autumn update on the 2026 national funding formula, unlike in previous years, which led to the cancellation of October's meeting. For 2026/27, the DSG will increase by approximately £10.3 million from the DfE. The Schools Block, which funded maintained schools and academies, included all school grants; its increase incorporated the £3 million Schools Budget Support Grant.

Council policy aligned with the National Funding Formula, which will become mandatory for all local authorities. Funding allocations from the DfE were based on this formula. The Forum was required to set the Minimum Funding Guarantee (MFG) between -0.5% and 0%. An MFG of 0% would retain £92,000 of the £122 million Schools Block funding, which officers recommended transferring to the Central Services Block to support schools experiencing the largest reductions in pupil numbers, as outlined in Appendix A. The Forum could decide whether this should operate as a rolling fund or a growth fund. An MFG of -0.5% would release £40,000 into the formula for distribution to all schools.

Headroom funding had not previously been used for this, but pupil numbers declined annually. Historically, this funding was used as contingency for staffing redundancies. If redirected to support falling rolls, using the methodology suggested, 17 schools would benefit.

Forum Members stated that as different schools had different issues, the money should not be used to go to all schools in Halton, regardless of whether they needed the money, and it should go to contingency to help with staff redundancies and schools with an aging workforce. Some schools with falling pupil numbers may not be able to afford redundancy payments.

Officers noted that the money could be moved to the Central Services Block and allocated at a later date.

Place planning work was ongoing, but it highlighted the financial difficulties that schools were having. Pupil numbers reduced in Runcorn and were set to reduce further

in the future but were more stable in Widnes. Officers noted that the suggested allocation of the headroom funding could be a onetime allocation.

RESOLVED: That

1. The Forum support the continuation of the National Funding Formula (NFF) methods, principles and rules for mainstream primary and secondary school funding allocations and de-delegation for 2026/27.
2. The Forum agree the level of Minimum Funding Guarantee (MFG) to be 0% and this to be applied to the Schools Block funding formula for 2026/27.
3. The Forum agree that the headroom funding for 2026/27 be transferred to Central Services Block and allocated at future date.

Following on from the discussion, Members of the School Forum will contact Officers regarding suggestions for the allocation of the headroom funding.

Maintained School Forum representatives agreed to the contingency rate.

SCF12 DSG FORECAST OUTTURN FOR 2025/26

The Forum was presented with the DSG Forecast Outturn for 2025/26.

Cost pressures within the High Needs Block continued to rise, and the Council was forecast to overspend its allocation by £12.5 million. The main area of increased costs was around the use of independent specialist school placements for Halton children, with increases averaging just under £10,000 per placement. No significant pressures were anticipated in the Early Years Block, and a major overspend there was unlikely. The overall DSG deficit was projected to reach £18 million by the end of 2026, with the Council required to fund any shortfall not covered by the DSG.

Officers agreed to provide the statistics on how much money would be needed if money was not invested into expanding school SEND and EHCP provision.

In-borough specialist school placements remained the most cost-effective option. The national average for pupils placed within their home authority was 43% but Halton's rate was 55%. No increases in independent specialist school placements were anticipated. Strong

Director of
Education,
Inclusion
&
Provision

relationships with school-based resource provisions were essential to meeting the needs of pupils with EHCPs. The Service Level Agreement confirmed that match funding was available through a child's EHCP, with further financial work planned.

Once the Government's white paper was published, a statutory override for the DSG will require the deficit to be absorbed into the Council's budget. In preparation, the DfE appointed a financial advisor for each local authority to strengthen oversight of DSG overspending and ensure it remained at an appropriate level. It was expected that part, or all, of the High Needs Block will be managed by Central Government.

The Forum agreed that they should format a response on the escalating costs for SEND and EHCP provision and that there would never be enough money to resolve the financial burden this caused. The response should also highlight that there should be a radical change in the funding formula for the High Needs Block.

Regarding the projection for the High Needs Block, officers said that this work will be investigated in 2026 with the DfE appointed financial adviser. Service improvements will be factored in as part of this work, and they would need to ensure that the current strategy was fit for purpose. No additional funding was available to meet SEND and EHCP provision other than the funding from the High Needs Block. Money was transferred from the School Block to the High Needs Block in the past, but this did not alleviate the issue.

It was noted that the allocation for the High Needs Block was done outside the funding formula. Central Government had effectively frozen allocations for 2026 from 2025 because of the uncertainty around changes planned in the white paper.

The Forum requested that they receive the recommendation paper from the DfE appointed financial adviser on the effective use of DSG.

RESOLVED: That the report be noted.

SCF13 ANY OTHER BUSINESS

The Forum stated that they would like to continue having in person meetings instead of remote ones.

Meeting ended at 16:58

DRAFT

REPORT TO: Schools Forum

DATE: 25 February 2026

REPORTING OFFICER: Operational Director – Finance

PORTFOLIO: Children & Young People

SUBJECT: DSG Early Years Block 2026/27

WARD(S) Borough wide

1.0 PURPOSE OF THE REPORT

To update and seek Schools Forum recommendations on the Dedicated Schools Grant (DSG) 2026/27 for Early Years.

2.0 RECOMMENDATION

That Schools Forum note and comment on the proposed 2026/27 hourly rates and supplements for the Early Years funding formula, applicable from the 1st April 2026.

3.0 SUPPORTING INFORMATION

3.1 Dedicated Schools Grant (DSG) settlement

The 2026/27 DSG settlement was announced on 17th December 2025, allocating Halton a total of £178.850m. This is broken down as £122.425m for the Schools Block, £0.768m for the Central Schools Services Block, £31.877m for the High Needs Block, and £23.781m for the Early Years Block.

Schools Forum approved the Schools Block allocations and mainstream school funding formula unit values at its meeting of 21st January 2026, with Early Years, High Needs and Central Schools Support Services to be considered at this meeting, 25th February 2026.

For CSSB, we see a small increase of £0.003m over the 2025/26 budget, in spite of the year-on-year 20% reduction in historic commitment funding and the main driver (pupil numbers) being 246 fewer (a reduction of 1.4%). This is because the unit of funding has increased by 2.1%, from £43.05 to £43.97.

High Needs Block, before deductions for place funding recoupment, is an increase from 2026/27 of £2.61m (+8.9%). However the lion's share of the increase (£2.1m) is as a result of grants (CSBG, pay & pensions, national insurance contributions, previously separate) being subsumed into DSG. Additionally, the formulaic calculation – an intrinsic principle of the National Funding Formula – has been suspended, with 2026/27 allocations being based on the previous year's allocation, tweaked slightly for some local factors. So essentially a funding freeze. The justification is that the government's imminent SEN review proposals will require wholesale revisions to the allocation methodology, so the freeze is an interim transitional position.

After last September's expansion of the Early Years programme, to a 30-hour entitlement for 2-year olds, and new entitlement for 9 months to 2 years, there are no structural changes to Free Early Years Entitlement (FEYE). However, frequency of funding recalculation is increasing, discussed in section **3.2**.

3.2 Early Years Block

The DSG announcement has provided an indicative Early Years allocation which includes the up-to-date hourly rates to be used in Halton's determination of the under 2, 2, 3 and 4 year old early education funding entitlement to Maintained Nursery Schools, Nursery Classes, and Private Voluntary and Independent (PVI) settings, including Childminders.

The 2026/27 Early Years Block will remain in a state of flux throughout the financial year. Previously, the application of 2026 Spring Term census data would generate a revised allocation during the Summer, to account for the January census data which were not available at the time of budget-setting, but now, **termly** census data for all year groups will come into play, with appropriate revisions after validation of each of these.

The indicative allocation for 2026/27 is £23.781m which is £3.095m greater than 2025/26; this reflects the full-year effect of September 2025 national changes to enhance the 2-year old offer and further develop the new under-2s offer, as well as the incremental hourly rate funding increases. £243,729 is a protection element to Halton for the adoption of termly 3 & 4 year-old census counts; broadly speaking the expectation is that termly counts will reduce the recorded numbers, so for the first year, a protection equivalent to 18p/hour is built-in.

By necessity, the funding system for Early Years is lagged; Authorities commit to funding settings based on actual recorded activity, but the funding coming into them is based on **past** activity. Universal adoption of termly funding will reduce the period of lagging, such that – theoretically – the difference between funding in and funding out, and consequently the year-end variance (underspend or overspend) on Early Years Block, should reduce.

The indicative rates and component DSG allocations are provided within the table overleaf:

Funding Stream	Hourly Rate (Rate)	Nos.	Total Indicative Funding	Hourly Rate Variance to 2025/26
Universal Entitlement: 3 & 4 year olds	£6.48	1577.28	£5,825,842	£0.51*
Extended Offer: 3 & 4 year olds	£6.48	798.25	£2,948,417	£0.51*
Disadvantaged: 2 year olds	£8.96	368.80	£1,883,536	£0.44
Working parents: 2 year olds	£8.96	909.64	£4,645,714	£0.44
Under-2 year olds	£12.18	1071.77	£7,440,871	£0.58
Early Years Pupil Premium: 3 & 4 year olds	£1.15	435.29	£285,333	£0.15
Early Years Pupil Premium: 2 year olds	£1.15	227.60	£149,192	£0.15
Early Years Pupil Premium: Under-2 year olds	£1.15	25.07	£16,434	£0.15
Disability Access Fund: 3 & 4 year olds (annual)	£975.00	101	£98,475	£37.00
Disability Access Fund: 2 year olds (annual)	£975.00	34	£33,150	£37.00
Disability Access Fund: Under-2 year olds (annual)	£975.00	3	£2,925	£37.00
Maintained Nursery School supplementary (annual)	£5.47	144.75	£451,317	£0.20
				£23,781,206

*includes the 18p transitional protection

The 2026/27 hourly rates position Halton as 60th in Authority funding rankings nationally (as indeed we were last year), with two-year olds, and under-2 year olds, at 97% of national average, and 3s and 4s at 96% of national average. Demonstrating possible geographical inequalities, Halton is, though, above the North West average funding level at all age ranges (102.75% for 3s & 4s, 104.0% for 2-year olds and under-2s).

The LA recognises the budgetary pressures our settings are under, and is committed to maximise the proportion of funding directly passported to providers. Our proposals are based on passing on ALL of the year-on-year funding increases at 2 and under, and 96% (49p of 51p) of the 3 & 4 funding rate increase, with an overall passporting level of 0.5% above the increased requirement of 97%.

In other words, we are proposing to take the funding rates agreed for 2025/26, following consultation with settings, and ratification by Schools Forum, and adding the in-year funding increases to each of the 2 year olds, and unders, and 49p/hour to the universal and extended 3 & 4 year-old entitlement.

Proposed allocation by percentage across the funding elements, and indicative funding totals as a consequence, are shown below:

Funding Stream	LA Retention	Base Rate	Deprivation	Quality	SENIF	Contingency
Under 2 year olds	2.50%	96.35%	N/A	N/A	0.50%	0.65%

2 year olds	2.50%	96.61%	N/A	N/A	0.70%	0.19%
3 & 4 Year Olds	2.50%	91.58%	2.63%	2.16%	1.00%	0.13%

Funding Stream	LA Retention	Base Rate	Deprivation	Quality	SENIF	Contingency	TOTAL
Under 2 year olds	£186,022	£7,165,961	N/A	N/A	£37,204	£47,997	£7,437,184
2 year olds	£163,231	£6,317,923	N/A	N/A	£45,705	£12,635	£6,539,494
3 & 4 Year Olds	£219,356	£8,029,529	£230,189	£189,567	£87,743	£11,320	£8,767,704
	£568,609	£21,513,413	£230,189	£189,567	£170,652	£71,952	£22,744,382

Early Years Pupil Premium £450,991
 Disability Access Fund £134,531
 Maintained Nursery School £451,331

TOTAL COMMITTED FUNDING £23,781,206

Of the total block of £23,781,206, the amount committed as direct hourly rate funding (base rate, deprivation, quality and maintained nursery supplement) is therefore £22,384,485.

Schools Forum is requested to comment on the hourly rates and supplements to be applied to the 2026/27 Early Years Single Funding Formula (EYSFF) determinations for all providers, as follows:

Halton's Proposed Funding Rates

	Base Rate	Deprivation Rate	Quality Rate
3 and 4 year olds	£5.93	£0.17*	£0.14
2 year olds	£8.67	N/A	N/A
Under-2 year olds	£11.73	N/A	N/A

*average

Actual deprivation allocations will vary by postcode analysis, and quality additions are assessed individually.

The pass-through rate under this methodology remains at 97.5%, above the revised national 2026/27 *de minimis* requirement of 97% (increased from 96% in 2025/26).

Funding retained for allocations under SENIF (Special Educational Needs Inclusion Fund) assessment is calculated at £170,652, an increase on 2025/26 of approximately 13%. Halton introduced a new methodology for SENIF assessment in this current financial year, and the ultimate effect of this will be assessed and reported to Schools Forum at a future meeting.

Applying these rates to January 2026 headcount data, to provide settings and providers with an indicative allocation for financial year 2026/27, shows an initial call on funding of £22,075,340. This compares with the full model estimate discussed above of £22,384,485, leaving us a notional £309,145 for in-year variations in numbers.

Pre-2s	2s (D)	2s (W)	3/4 (U)	3/4 (Ext)	Maintained Nursery Supp't	Deprivation Supplement	Quality Supp't	TOTAL
£7,123,524	£1,162,915	£5,192,483	£5,052,263	£2,686,120	£451,316	£259,848	£146,872	£22,075,340

These indicative allocations will be notified to providers by, at the latest, 28th February.

3.3 Other Early Years Funding

It is also proposed to passport the full Maintained Nursery Supplementary grant directly to maintained nursery schools. Early Years Pupil premium across the age ranges, and Disability Access Funding will be paid to schools termly based on qualifying numbers.

4.0 POLICY IMPLICATIONS

Consistent with policy to maximise direct funding of settings. Compliant with national retention guidance.

5.0 FINANCIAL IMPLICATIONS

- 5.1 The financial aspects outlined throughout this paper have been developed in accordance with statutory financial regulations, and individual operational guidance relevant to the Dedicated Schools Grant (DSG) requirements.
- 5.2 The proposals included within this paper are all funded from within the available Dedicated Schools Grant (DSG) block allocations provided for 2026/27, and represent a proposal for anticipated full use of those allocations, with no transfers to other blocks.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

- 6.1 **Improving Health, Promoting Wellbeing and Supporting Greater Independence**
To ensure that in Halton children and young people are safeguarded, healthy and happy, and receive their entitlement of high-quality services that are sensitive to need, inclusive and accessible to all.
- 6.2 **Building a Strong, Sustainable Local Economy**
To create an economically prosperous Borough that encourages investment, entrepreneurship, enterprise and business growth, and improves the education, skills and employment prospects of our residents and workforce, so they may share in all the opportunities Halton affords.
- 6.3 **Supporting Children, Young People and Families**
Ensure that in Halton, children and young people are safeguarded, healthy and happy, and receive their entitlement of high quality services which are sensitive to need, inclusive and accessible to all.
- 6.4 **Tackling Inequality and Helping Those Who Are Most in Need**
More refined targeting of SENIF will improve inclusion and reduce inequalities.
- 6.5 **Working Towards a Greener Future**
None

6.6 **Valuing and Appreciating Halton and Our Community**
None

7.0 **RISK ANALYSIS**

7.1 Failure to comply with the statutory financial regulations and operational guidance relevant to Dedicated Schools Grant (DSG) requirements, could result in formal intervention by the Department for Education (DfE)

8.0 **EQUALITY AND DIVERSITY ISSUES**

8.1 The Local Authority must discharge its statutory responsibilities in relation to all schools and settings.

9.0 **CLIMATE CHANGE IMPLICATIONS**
None

10.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

Background papers and further information, including the statutory guidance that has informed this report, can be obtained via Gov.uk

For any enquiries contact Naheem.Shafiq@halton.gov.uk.

REPORT TO:

Schools Forum

DATE:

25 February 2026

REPORTING OFFICER:

Operational Director – Finance

PORTFOLIO:

Children & Young People

SUBJECT:DSG High Needs and Central Schools Services
Blocks 2026/27**WARD(S)**

Borough wide

1.0 PURPOSE OF THE REPORT

To update Schools Forum on the relevant Dedicated Schools Grant (DSG) allocation for High Needs, and to seek views on how the Local Authority intends to use this funding across the range of high needs activities for financial year 2026/27, including for schools. Halton schools' High Needs elements will be notified alongside mainstream and pre-school budget elements on or before 28th February 2026, in accordance with the national guidance.

2.0 RECOMMENDATION

That the contents of this report are noted, and that views are given on the LA proposals within regarding the High Needs and Central Schools Services blocks of DSG.

3.0 SUPPORTING INFORMATION

3.1 Dedicated Schools Grant (DSG) settlement

The 2026/27 DSG settlement was announced on 17th December 2025, allocating Halton a total of £178.850m, which is broken down as £122.425m for the Schools Block, £0.768m for the Central Schools Services Block, £31.877m for the High Needs Block, and £23.781m for the Early Years Block.

3.2 High Needs Block

The High Needs Block allocation has been announced as £31.877m, before Academy and Further Education (FE) recoupment, but including the deduction in respect of net exports of SEND children being educated in other areas.

Academy and FE recoupment will be £4.970m for the per place funding element deductions, as identified by the DfE published allocations. Schools Forum, at the January meeting, agreed the transfer of a small amount of headroom from Schools Block into the Central Schools Services Block; no funding will be transferred to the High Needs Block; for 2026/27, Halton therefore has £26.907m for distribution to specialist providers, and to contribute to supporting the ongoing cost pressures being faced by the High Needs block.

This allocation represents at the high level an increase of 8.92%, and net 5.7%, in annual funding, within which both inflationary pressures and increases in demand, must

be accommodated. This is slightly misleading, however, as the 2026/27 figure includes annualised equivalents (c. £2.1m) of what were in 2025/26 separate grant funding elements for pay & pensions increases and national insurance contributions.

2025/26 Starting Position				£29,267,118
In-year changes				£630,605
				£29,897,723
ISS/SPI etc				£268,538
Special/AP Academies	£3,065.30	580.66		£1,779,898
Special units/RPs				£68,712
Import/Export Adjustment	£6,000	-23		(£138,000)
GROSS HIGH NEEDS BLOCK				
2026/27				£31,876,871
PLACE DEDUCTIONS	Rate	Places		
Academy Resourced Provisions: Pre-16	-£6,000	86		(£516,000)
	-£10,000	4		(£40,000)
Special Academies: Pre-16	-£10,000	221		(£2,210,000)
Special Academies: Post-16	-£10,000	27		(£270,000)
AP Academies: Pre-16	-£10,000	1		(£10,000)
Special free schools: Pre-16	-£10,000	64		(£640,000)
FE/ILP	-£6,000	214		(£1,284,000)
				(£4,970,000)
NET HIGH NEEDS BLOCK 2026/27				(£26,906,871)

Schools Forum is requested to note the funding rates to be applied to the High Needs block allocations on the basis of 'place-plus' (top-up) funding for specialist provision including Mainstream SEND Units. Unfortunately, because the funding is standstill, there is no practical affordable facility for increasing top-up rates beyond current (2025/26) levels.

Mainstream Schools with Resource Units - Funding 2026/27

Mainstream units (resource bases) are funded on a 'place-plus' basis where the Place funding element is set at £6,000 per occupied place and £11,000 for unoccupied places. The occupied rate is less, as it is expected that the children being supported in the special units will also be on roll at the school, and therefore also included in the main school formula funding allocation (so-called *notional* SEN funding). The actual amount of funding each child will attract through the mainstream funding formula will vary with individual characteristics, but it is reasonable to assume that at least some of the additional factors will be triggered (Free school meal entitlement, postcode deprivation, low attainment), above and beyond the basic per pupil amount, meaning that each will generate *at least* the £5,000 difference.

The 'plus' element is the top-up funding provided for occupied places, and is subject to Forum approval. LA recommendations are as per the table below:

School / Academy	Unit	2026/27 Top-up rate	TOTAL FUNDING 2026/27	FUNDED BY LA 2026/27
Primary		£	£	£
Weston Point	EBD	5,648	93,184	45,184
Halton Lodge	SEMH	12,725	112,350	76,350
The Brow*	KS 1 Assessment	3,348	165,476	165,476
The Brow*	KS2 SPL	7,272	316,585	316,585
Woodside	EBD	4,568	84,544	84,544
Woodside	KS1 SEMH	7,272	106,176	106,176
Beechwood	SEMH	7,272	106,176	106,176
Kingsway Academy (Simms Cross)	KS1/2 ASD	5,055	265,320	121,320
Kingsway Academy	KS1/2 ASD	7,272	156,874	132,874
Oakfield	KS 1 Assessment	4,581	126,972	126,072
Oakfield	KS2 SPL	7,272	185,808	185,808
Oakfield	KS1 SLCN	7,272	119,448	119,448
Oakfield	KS2 SLCN	7,272	126,694	126,694
Palace Fields	SPL	7,272	132,720	72,720
The Grange	KS1/2 ASD	6,501	312,525	164,525
Astmoor	KS1 SEMH	10,086	128,688	128,688
Astmoor	KS2 SEMH	10,086	144,774	144,774
St Basil's	EYFS Assessment	7,272	167,426	167,426
St Basil's	EY/KS 1 Assessment	7,272	118,253	118,253
Victoria Road	KS1 SEMH	10,086	138,350	138,350
Victoria Road	KS2 SEMH	10,086	153,188	153,188
Westfield	KS1 SLCN	10,086	148,011	148,011
Westfield	KS2 SLCN	10,086	140,765	140,765

Secondary

The Grange	KS3/4 ASD	10,489	325,658	229,658
Sts. Peter & Paul	KS3/4 ASD	9,121	60,484	60,484
Sts. Peter & Paul	KS3 ASD (Oratory)	9,784	187,522	187,522
Sts. Peter & Paul*	KS4 ASD	9,784	73,659	73,659
Blessed Carlo Acutis	HDU	11,447	69,788	69,788

* expected to be operational during 2026/27

Special Schools and Pupil Referral Unit (PRU)

Special Schools and PRUs are funded on a place-plus basis where the Place funding element is set at £11,000 per place, whether occupied or unoccupied (as there is no mainstream funding element to differentiate). For Special Schools the *plus* element is the top-up funding provided for occupied places only and is based on a Banding system which recognises the severity of SEND and associated support requirements, in accordance with the individual pupils' Education Health and Care Plans (EHCP). The top-up banding values vary per school, recognising the differing running costs at each.

The PRU top up value is intended to contribute to all running costs, including vocational courses for pupils. Where schools and academies commission any places directly with the PRU, then they are responsible for funding the top-up element.

Plus (top-up) Funding per Special School and PRU:

School	Banding	2026/27 Top-Up Rate	TOTAL FUNDING 2026/27	FUNDED BY LA 2026/27
		£	£	%
Ashley	Level 1	8,432	1,612,856	1,612,856
	Level 2	11,240	511,520	511,520
	Level 3	16,885	892,320	892,320
Chesnut Lodge	Level 1	11,243	311,402	311,402
	Level 2	13,474	318,162	318,162
	Level 3	16,974	1,700,440	1,700,440
Brookfields	Level 1	6,872	160,848	60,848
	Level 2	10,382	1,389,895	689,895
	Level 3	17,485	1,623,645	1,023,645
Cavendish	Level 1	8,604	450,892	210,892
	Level 2	11,284	1,158,768	638,768
	Level 3	16,813	890,016	570,016
The Bridge - PRU	Level 1	17,158	2,828,387	2,818,387

For transparency, all Special Schools and the PRU will be provided with confirmation of their 2026/27 budget allocations with an individual notification highlighting all funding factors, values, termly payment profile, and ESFA recoupment where applicable.

Further Education (FE) Element 3 Top-Up Funding & Out-of-borough placements

The High Needs DSG statutory guidance stipulates that the Local Authority must treat establishments fairly and consistently when making arrangements to fund young people with high needs. Settings outside the authority, unfortunately will not necessarily be mindful of the financial restrictions surrounding 2026/27 DSG High Needs settlements; we have therefore included a 5% inflation rate on top of current spending levels to accommodate those providers which will impose price rises at the start of the Autumn term.

All of these allocations, and consequent High Needs budgetary totals, are illustrated in more detail in **Appendix A**, attached.

3.3 **Central Schools Services Block (CSSB)**

The CSSB overall has grown modestly, with the annualised rate increases offsetting the reduction in funding of historical commitments. Chief among these commitments is the established schools' safeguarding post, and Schools Forum has agreed to an annually increased contribution to mitigate this reduction (the income therefore rising 20% compared to current year). Other commitments have a cost increase expectation built in of 2.5%, meaning that contingency must reduce slightly.

The table below illustrates the block allocation, and how we anticipate this to be committed, with 2025/26 as a comparison.

	Rate 26/27	Nos.	TOTAL
Primary CSSB	£43.97	9,714	£427,125
Secondary CSSB	£43.97	7,527	£330,941
Historic Commitment*			£9,878
			<u>£767,944</u>
Transfer in from Schools Block			£91,791
AVAILABLE RESOURCES 2026/27			<u>£859,735</u>

* reduces 20% year-on-year

	26/27	25/26
Teachers Panel	£19,460	£19,460
Copyright Licences	£150,000	£141,339
Premature Retirements	£554,037	£540,524
Staffing including safeguarding post	£283,403	£276,491
Income for safeguarding post	(£60,192)	(£50,160)
Central Recharges	£127,427	£124,319
Exclusions Income	(£164,512)	(£160,500)
Inter-Authority Income	(£279,143)	(£272,335)
Contingency	£137,465	£146,112
Block transfer in & matching commitment	£91,791	£80,947
	<u>£859,735</u>	<u>£846,197</u>

4.0 POLICY IMPLICATIONS

High Needs pressures will impact on the Delivering Best Value programme.

5.0 FINANCIAL IMPLICATIONS

- 5.1 The financial aspects outlined throughout this paper have been developed in accordance with statutory financial regulations, and operational guidance relevant to the Dedicated Schools Grant (DSG) requirements.
- 5.2 The proposals included within this paper are theoretically intended to be funded from within the available DSG High Needs block allocation provided for 2026/27.
- 5.3 However, projected costs for all anticipated demands on High Needs funding, as shown in **Appendix A**, total to a gross estimate of £40.589m, a substantial amount in excess of the gross High Needs allocation of £31.877m. Significant expansions in numbers of, and numbers at, resource bases, increasing numbers and (particularly) costs of out-of-borough provision, increases in numbers and value of EHCP (Education & Health Care Plan) assessments are all contributory factors in generating an initial forecast shortfall of £8.71m (In 2025/26 we had an initial gap of £9.47m).

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Improving Health, Promoting Wellbeing and Supporting Greater Independence

To ensure that in Halton children and young people are safeguarded, healthy and happy, and receive their entitlement of high quality services that are sensitive to need, inclusive and accessible to all.

6.2 Building a Strong, Sustainable Local Economy

To create an economically prosperous Borough that encourages investment, entrepreneurship, enterprise and business growth, and improves the education, skills and employment prospects of our residents and workforce so they can share in all the opportunities Halton affords.

6.3 Supporting Children, Young People and Families

It is essential that sufficient funding is available to support all children and young people, irrespective of their level of need.

6.4 Tackling Inequality and Helping Those Who Are Most in Need

High Needs budgets are key to improving outcomes for those children in greatest need.

6.5 Working Towards a Greener Future

None

6.6 Valuing and Appreciating Halton and Our Community

None

7.0 RISK ANALYSIS

Failure to comply with the statutory financial regulations and operational guidance relevant to Dedicated Schools Grant (DSG) requirements could result in formal intervention by the Department for Education (DfE)

8.0 EQUALITY AND DIVERSITY ISSUES

The Local Authority must discharge its statutory responsibilities in relation to all schools and settings.

9.0 CLIMATE CHANGE IMPLICATIONS

None

10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Background papers and further information, including the statutory guidance that has informed this report, can be obtained via Gov.uk

For any enquiries contact Naheem.Shafiq@halton.gov.uk.

Appendix A High Needs Commitments 2026/27

			2026/27 GROSS BUDGET
Resource Units			
<i>Primary</i>			
Weston Point (A)	EBD		£93,184
Halton Lodge (A)	SEMH		£112,350
The Brow (M) 1	KS1 Assessment		£165,476
The Brow (M) 2	KS2 SPL		£316,585
Woodside (M) 1	EBD		£84,544
Woodside (M) 2	KS1 SEMH		£106,176
Beechwood (M)	SEMH		£265,320
Kingsway (A) 1	KS1/2 ASD		£265,320
Kingsway (A) 2	KS1/2 ASD		£156,874
Oakfield (M) 1	KS1 Assessment		£126,972
Oakfield (M) 2	KS2 SPL		£185,808
Oakfield (M) 3	KS1 SLCN		£119,448
Oakfield (M) 4	KS2 SLCN		£126,694
Palace Fields (A)	SPL		£132,720
The Grange (A)	KS1/2 ASD		£312,525
Astmoor (M) (1)	KS1 SEMH		£128,688
Astmoor (M) (2)	KS2 SEMH		£144,774
St Basil's (M) 1	EYFS Assessment		£167,426
St Basil's (M) 2	EY/KS1 Assessment		£118,253
Victoria Road (M) 1	KS1 SEMH		£138,350
Victoria Road (M) 2	KS2 SEMH		£153,188
Westfield (M) 1	KS1 SLCN		£148,011
Westfield (M) 2	KS2 SLCN		£140,765
<i>Secondary</i>			
The Grange (A)	KS3/4 ASD		£325,658
Sts Peter & Paul (M) 1	KS3/4 ASD		£60,484
Sts Peter & Paul (M) 2	KS3 (Oratory) ASD		£187,522
Sts Peter & Paul (M) 3	KS4 ASD (Sept 26)		£73,659
Blessed Carlo Acutis	HDU		£69,788
			£4,267,417

Special Schools	Ashley (M)	L1	£1,612,856
		L2	£511,520
		L3	£892,320
	Chesnut Lodge (M)	L1	£311,402
		L2	£318,162
		L3	£1,700,440
	Brookfields (A)	L1	£160,848
		L2	£1,389,895
		L3	£1,623,645
	Cavendish (A)	L1	£450,892
		L2	£1,158,768
		L3	£890,016
	Cavendish (A)	Exceptional	£51,000
	Raise (F)		£954,360
	Ashley	Individual Pupils	£28,115
	Chesnut Lodge	Individual Pupils	£50,197
	Brookfields	Individual Pupils	£43,982
	Cavendish	Individual Pupils	£153,739
			£12,302,157
Pupil Referral Units	The Bridge	L1	£2,787,642
	The Bridge	Exceptional	£40,745
			£2,828,387
EHCP Top-Ups	Primary (Maintained)		£2,658,594
	Secondary (Maintained)		£186,605
	Primary (Academy)		£1,097,207
	Secondary (Academy)		£1,030,829
			£4,973,235
Other	Out of Borough Placements		£10,626,160
	Post-16 Further Education Colleges		£3,147,225
	Speech Therapy		£120,000
	SEN Support Services		£2,280,293
	Support for Inclusion		£44,600
TOTAL EXPECTED HIGH NEEDS COMMITMENTS 2026/27			£40,589,474