

Annex B: Table 1: High Needs Budgeted DSG Deficits 2024/25 – 2026/27

| High Needs Budget - Annual Budget                     | 2024/25<br>£'m  | 2025/26<br>£'m  | 2026/27<br>£'m  |
|---|-----------------|-----------------|-----------------|
| <b>Base Budget</b>                                    | <b>124.113</b>  | <b>129.262</b>  | <b>137.121</b>  |
| <b>Proposed Budget Increases</b>                      |                 |                 |                 |
| Demographic growth                                    | 11.298          | 12.949          | 14.801          |
| Inflation - pay                                       | 0.476           | 0.476           | 0.486           |
| Inflation - contracts                                 | 1.247           | 1.735           | 1.735           |
| <b>Total Forecast Spend Before Savings</b>            | <b>137.134</b>  | <b>144.422</b>  | <b>154.143</b>  |
| <b>Proposed Budget Reductions</b>                     |                 |                 |                 |
| <b>Support without an EHCP</b>                        |                 |                 |                 |
| Enhanced Pathways - Seed                              | -0.354          | -0.354          | -0.354          |
| <b>Sufficiency - reduce use of independent sector</b> |                 |                 |                 |
| Opening of new Special Schools                        | -4.583          | -3.284          | -1.040          |
| Unidentified additional Special Schools spaces        | -0.444          | -0.888          |                 |
| Investment in Resource bases & enhanced mainstream    | -0.781          | -2.025          |                 |
| <b>Post 16 &amp; Preparation for Adulthood</b>        |                 |                 |                 |
| Preparing for Adulthood                               | -0.250          | -0.250          | -0.250          |
| Specialist colleges (ISP)                             | -0.500          | -0.500          | -0.500          |
| <b>Review Internally provided services:</b>           |                 |                 |                 |
| Resource Base Transfer                                | -0.310          |                 |                 |
| Review SENSS Service                                  | -0.500          |                 |                 |
| <b>Contract Renegotiation:</b>                        |                 |                 |                 |
| Full Category management review                       | -0.250          |                 |                 |
| Reduction in Meadowbrook places / top-up              |                 |                 |                 |
| <b>Housekeeping</b>                                   |                 |                 |                 |
| Admin   | 0.100           |                 |                 |
| <b>TOTAL Savings</b>                                  | <b>-7.872</b>   | <b>-7.301</b>   | <b>-2.144</b>   |
| <b>Revised Spend</b>                                  | <b>129.262</b>  | <b>137.121</b>  | <b>151.999</b>  |
| <b>High Needs Block (DSG) Funding</b>                 | <b>-108.000</b> | <b>-112.108</b> | <b>-116.339</b> |
| <b>REVISED DEFICIT</b>                                | <b>21.262</b>   | <b>25.013</b>   | <b>35.660</b>   |