

**Supplementary Update: Consultation on Schools and High Needs Funding 2026–27**

This supplementary update is provided to reflect the publication by the Department for Education (DfE) on 17 December 2025 of the final Dedicated Schools Grant (DSG) allocations for 2026–27, together with the associated technical guidance, supporting documents and budget calculation files.

These documents are available at:

<https://www.gov.uk/government/publications/dedicated-schools-grant-dsg-2026-to-2027/dsg-technical-note-2026-to-2027>

Following review of the final DSG allocations and updated DfE guidance, the proposals set out in the original consultation remain largely unchanged, with some clarifications and updated financial impacts now confirmed.

- **Minimum Funding Guarantee (MFG)**

Under Option A, which applies a 0% Minimum Funding Guarantee, three schools (all primary) are now affected. The total cost of this proposal is £110,142. All other schools will receive a minimum increase of at least 1% in their MFG unit value when compared to the revised 2025-26 baseline, which now includes the rolling in of legacy grants and the additional uplift applied by the DfE.

- **Transfers and Funding Capacity**

Following confirmation of the DSG allocations, the Local Authority has reviewed and updated the proposed transfer balances, which are:

- 0.5% transfer to the High Needs Block, totalling £1.349 million
- Transfer of £1 million to support Growth and Falling Rolls, revised from the previously forecast £530,000

After taking these transfers into account, there is sufficient funding within the Schools Block to support up to a 2% increase for all schools through the funding formula. This position is reflected in the modelled Authority Proforma Tool (APT) submission.

- **Growth and Falling Rolls**

The indicative Growth and Falling Rolls allocation in the consultation was based on the 2025-26 allocation of £1.294 million. The DfE has since confirmed that the 2026-27 allocation has reduced to £876,134. As set out in the consultation, to continue operating the Growth and Falling Rolls fund at the required level, a total of approximately £1.82 million is needed. The proposed £1 million transfer therefore reflects the level of funding required to support schools through this mechanism.

- **Updated Appendices**

Appendix D provides an updated version of the previously issued Appendices B and C, showing:

- The 2026-27 APT funding formula
- Illustrative funding values and the impact on individual schools
- Changes in pupil numbers and the resulting impact on school budgets
- Illustrative Growth and Falling Rolls funding allocations and their role in supporting schools

The final column demonstrates that, with the exception of the three schools affected by MFG (whose increases reflect the rolling in of legacy grants and the additional uplift), every school receives additional per-pupil funding through the formula in 2026-27.