NORTH YORKSHIRE SCHOOLS FORUM

Date of meeting:	Thursday 19 November 2026
Title of report:	**2027-28 Special Schools Funding Consultation Results**
Type of report: Delete as required	For decision
Executive summary: Including reason for submission	This report provides the results of the 2027-28 Special Schools Funding Consultation that ran from 25 September 2026 to 23 October 2026. The report requests the Schools Forum to comment on the consultation response received in relation to the level of the Special School Minimum Funding Guarantee (MFG) for the 2027-28 financial year.
Budget / Risk implications:	Individual special school budget levels for the 2027-28 financial year.
Recommendations:	Following the consultation with all special schools in North Yorkshire, the Forum is asked to consider the consultation option to be endorsed in relation to the level of the 2027-28 Special School Minimum Funding Guarantee. The views of the Schools Forum will be submitted as part of the approval requests to CYPS Executive Members and the Executive.
Voting requirements:	All Schools Forum voting members
Appendices:	N/A
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Presenting officer: If not the originator	Sally Dunn

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1.0 PURPOSE OF THE REPORT

1.1 This report provides an overview of the results and responses received from special schools to the 2027-28 Special School Funding Consultation

1.2 The Schools Forum is asked to consider the results of the Consultation and the responses received.

2.0 BACKGROUND

2.1 Special school funding arrangements for 2027-28 will be impacted by a combination of:

- uplift factors applied to Banding allocations (for top-up funding)
- uplift factors applied to Contextual Funding
- the specific operation of the Minimum Funding Guarantee in the Special school sector at a national level, and local level.

2.2 Consideration of Special School funding arrangements needs to be undertaken within the context of the position on the High Needs budget remaining extremely pressured. The estimated in-year financial pressure in 2027-28 is in the order of £35-40m, Current indications are that, in response to national SEND reform plans, the number of children and young people assessed as requiring an Education Health and Care Plan will continue to increase over the next two years, with an associated increase in pressure on the High Needs budget. This financial pressure is felt across the SEND system in North Yorkshire and continues to represent an unsustainable position for mainstream schools and academies, special schools and special academies, other settings and provision for children and young people with additional needs and the local authority.

2.3 The DfE have published information on the operation of the High Needs Stability Grant, which provides local authorities with funding support in respect of overall Dedicated Schools Grant (DSG) deficits as at 31 March 2026. Allocations of the High Needs Stability Grant will be paid in Autumn 2026 subject to each local authority developing and submitting to the Department for Education a Local SEND reform plan which is then approved as meeting the required criteria. Local authorities are expected to set out a clear pathway towards an inclusive and sustainable system in line with the wider vision for SEND reform. For DSG deficits that arise in 2026-27 and 2027-28, the DfE has not yet published guidance on how they will be treated.

2.4 At the time of writing this report, the DfE have not yet confirmed the arrangements for the operation of the MFG for special schools for the 2027-28 financial year. Similarly, the 2027-28 High Needs Block provisional funding allocation is still to be received from the DfE. The DfE prescribed the MFG for 2026-27 as 0% using schools' 2025-26 funding baseline; this was equivalent to the upper end of the MFG range for mainstream schools. At this stage it is anticipated that the operation of the MFG for 2027-28 will be the same as in previous years and will apply only to each school's place and top-up funding.

2.5 The local authority is aware and acknowledges the financial pressure facing special schools and has sought to ensure protection and investment for the sector, balanced against the very challenging High Needs funding settlement for North Yorkshire as a whole. Any decisions around the funding for Special Schools in North Yorkshire will

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be considered in the context of the local authority High Needs and SEND reform programme.

3.0 BANDED FUNDING ALLOCATIONS (TOP UP ALLOCATIONS) & CONTEXTUAL FUNDING

3.1 The Local Authority is carefully considering what potential rate of increase for **Banded Funding allocations** will be applied for 2027-28. The banded funding allocation reflects costs incurred beyond the Element 2 funding allocation of £6,000.

3.2 The Local Authority intention is that any increase to the factor elements within the **Contextual Funding** is by the same inflationary increase that is applied to the banded funding allocations.

4.0 MINIMUM FUNDING GUARANTEE FOR SPECIAL SCHOOLS 2026-27

4.1 MFG is a protection for special schools against seeing a reduction in funding from year to year assuming that the number and type of places remain the same. For the current 2026-27 financial year, the DfE prescribed for the MFG protection level for special schools to be set at 0%; the level set for North Yorkshire complied with the prescribed value of 0%.

4.2 In terms of NYC methodology, the minimum funding guarantee determination is actioned in January (for the following financial year) and is based on the pupil population in place at that particular point in time and compares funding allocations in the baseline funding allocation period and the future allocation period. This approach is adopted to ensure that the MFG calculation is not distorted by fluctuations in the band mix of pupils from one year to the next - in accordance with the DfE High Needs operational guidance.

4.3 Within the MFG determination, the comparison looks at place funding and top-up funding. It also incorporates the contextual funding component and previous year's minimum funding guarantee sum.

4.4 In the absence of the DfE 2027-28 High Needs Funding Operational Guidance and in order to ensure the timely publication of 2027-28 budgets to special schools, North Yorkshire Council has undertaken a principle-based consultation with special schools seeking views as to whether the DfE minimum or maximum MFG threshold should be used in the calculation of 2027-28 special school budgets; the consultation ran between 25 September 2026 and 23 October 2026.

4.5 The DfE High Needs guidance makes no provision for the application of the MFG for alternative provisions.

5.0 RESULTS OF THE 2027-28 SPECIAL SCHOOLS FUNDING CONSULTATION

5.1 2 out of the 10 special schools within North Yorkshire have provided a response to the 2027-28 funding consultation; the 2 schools responding to the consultation are within the same academy trust.

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5.2 The table below provides details of the consultation results in respect of both the number of responses received in support of each option and the numbers of schools represented in the responses.

Option	MFG %	No. Responses Received Supporting Option	No. Schools Represented in Responses Supporting Option
Option 1	Minimum DfE Threshold	0	0
Option 2	Maximum DfE Threshold	2	2
		2	**2**

No additional comments were provided in the consultation responses.

(1 responses did not state the school / academy name and 1 response was received from a mainstream school; these responses have been excluded from the results analysis)

6.0 RECOMMENDATIONS

6.1 Following the consultation with all special schools in North Yorkshire, the Forum is asked to consider the consultation option to be endorsed in relation to the level of the 2027-28 Special School Minimum Funding Guarantee. The views of the Schools Forum will be submitted as part of the approval requests to CYPS Executive Members and the Executive.

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