



Department  
for Education

# **High Needs Provision Capital Allocations Guidance**

**March 2025**

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## Summary

This publication provides non-statutory guidance from the Department for Education.

The Education Act 1996 sets out a statutory duty on local authorities to secure sufficient school places, which they must do with regard to securing special educational provision for pupils with special educational needs and disabilities (SEND) as well as those requiring alternative provision (AP). The Children and Families Act 2014 also places important statutory responsibilities on local authorities for supporting children and young people with SEND, including keeping the sufficiency of educational provision for them under review.

The government is committed to supporting local authorities to fulfil these duties and in December 2024, the Secretary of State announced £740 million for High Needs Provision Capital Allocations (HNPCA) in 2025-26. This funding is intended to support local authorities to create new school places and improve the suitability and accessibility of existing buildings.

As in 2024-25, a proportion of the available funding (50%) is distributed to local authorities based on their size and the remaining proportion of the available funding (50%) is distributed in line with the relative pupil to capacity ratio based on newly collected data through the School Capacity Survey. Further detail on the methodology and the data used to calculate these allocations, is available in our separate explanatory note which can be accessed on [GOV.UK](https://www.gov.uk).

The funding is un-ringfenced (subject to certain conditions, as set out in the published Grant Determination Letter) and it is ultimately for local authorities to determine how to best use the funding to meet local priorities. However, we have set out in this guidance how local authorities might consider utilising their HNPCA funding, with a particular focus on how they can improve mainstream inclusion, in line with government priorities.

This guidance sets out:

- The intended purpose of this funding.
- Issues that local authorities should consider to ensure that they achieve best outcomes.
- Details of the assurance arrangements attached to this funding.

## Who this publication is for

This guidance is for:

- Local authorities

- School leaders, school staff and governing bodies in all maintained schools, academies (including free schools), and staff and leadership of any other institutions who may benefit from this funding.

## **Document history**

This guidance is specific to HNPCA for 2025-26.

We have yet to announce details of funding for any years beyond 2025-26 and this guidance should not be taken as an indication of any future funding, methodology, or any approach to high needs capital funding the DfE may take in future.

## Intended purpose of this funding

HNPCA is intended to support local authorities in their duty to provide suitable school placements for children and young people with SEND, or who require alternative provision (AP).

### Scope

HNPCA are being provided as an un-ringfenced grant under section 31 of the Local Government Act 2003, subject to conditions detailed in the associated Grant Determination Letter on [GOV.UK](https://www.gov.uk)<sup>1</sup>.

This grant funding is intended for:

- children and young people with complex needs, who have Education, Health and Care plans (EHCPs), and where appropriate, other pupils with SEND without an EHCP;
- children and young people who require AP (including children in AP settings without an EHCP).

Local authorities are free to choose to spend the funding across the 0-25 age range, including in dedicated post-16 institutions or other FE settings.

This grant funding is not intended for:

- Higher education including universities and other higher education provision.
- Any provision for those aged 25 and over.
- Individual mobility equipment such as wheelchairs. However, local authorities might choose to spend this funding on capital installations such as ceiling hoists for lifting non-ambulant children into, for example, a hydrotherapy pool.
- Maintenance work, which should continue to be covered by Devolved Formula Capital funding (DFC), the Condition Improvement Fund (CIF) or School Condition Allocations (SCA).

The funding is provided for capital purposes only and cannot be used for revenue expenditure of any kind, such as training or staff costs.

### Vision and objectives

This Government believes that, wherever they can effectively be supported to do so, children and young people with SEND should have the opportunity to achieve and thrive in their local mainstream school, reducing the need to travel a long way to access a

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<sup>1</sup> <https://www.gov.uk/government/publications/high-needs-provision-capital-allocations>

specialist placement. Whilst local authorities can determine how best to spend this funding to address local priorities, we want to work alongside them to achieve our shared ambition for better outcomes, better experiences for children and young people and their families, and a financially sustainable system which provides better value for money.

This £738m in capital funding for 2025-26 is essential to increasing the capacity of mainstream schools to meet a wider range of needs. We encourage local authorities to use this funding to set up resourced provisions or special educational needs units (SEN units) in mainstream schools to increase local capacity, and to consider these as a central part of their local sufficiency planning. This will ensure that mainstream settings are suitably equipped to support children and young people with SEND and local authorities are empowered to plan places effectively. As part of this, the funding should continue to support LAs to move towards greater financial sustainability, by controlling home to school travel costs and reducing pressures on high needs revenue budgets.

Our ambitions for a more inclusive system sit alongside our commitment to ensuring that special schools continue to play their crucial role in supporting pupils with the most complex needs.

## **Suggested types of work**

In this context, we strongly recommend that local authorities use capital allocations to invest in their mainstream provision.

In particular, we anticipate that local authorities may wish to invest in:

- I. creating specialist provision within mainstream schools (SEN units and Resourced Provision)
- II. adaptations and improvements to the mainstream environment
- III. special school expansions (where appropriate)

## **SEN units and resourced provision**

SEN units and resourced provision are specialist provisions within mainstream schools, formally recognised by the local authority, which receive high needs revenue funding. They have an important role to play in a more inclusive mainstream system, enabling children to achieve and thrive in a mainstream school. We encourage schools and local authorities to work together to prioritise the creation of SEN units & resourced provision.

There are many excellent examples of mainstream schools delivering specialist provision through SEN units and resourced provision, enabling children to benefit from and remain part of mainstream education and wider school life whilst still receiving the additional support that they need. There are similarly examples of local authorities putting SEN units and resourced provision at the centre of their strategic planning as an effective way to drive a more inclusive and sustainable system, with clear pathways of provision across

phases. We encourage all local authorities to work with schools to do the same. This could include creating SEN units and resourced provision in mainstream primary or secondary schools or academies (including free schools, faith schools and grammar schools), and sixth form or Further Education colleges. Creating SEN units and resourced provision could involve building a bespoke provision or re-purposing and adapting existing space to ensure it is fit for purpose.

In setting up or expanding existing SEN units and/or resourced provision, local authorities should ensure they have appropriate regard to our statutory guidance on making significant changes to maintained schools, or if working with an Academy Trust to our equivalent guidance on making significant changes to an open academy.

## **Mainstream adaptations and improvements**

Based on HNPCA assurance returns, we know that many local authorities are already investing in improvements and adaptations to the mainstream environment. This demonstrates that many local areas recognise the value in mainstream inclusion as a way to meet need in the system while supporting more pupils with SEND to attend their local school.

### **Built environment**

We encourage local authorities to build upon existing good practices in the system when it comes to adapting and improving the suitability of school buildings. Previous successful interventions have focussed on, for example:

- Spatial sequencing and clear wayfinding– e.g. ramps, wayfinding handrails
- Inclusive sanitary provision – e.g. accessible toilets, changing facilities
- Lighting, thermal comfort & ventilation – e.g. low surface temperature radiators
- Inclusive acoustics - e.g. acoustic wall panels, acoustic pods, acoustic ceilings
- Spaces for re-regulation – e.g. 1:1 restorative spaces or breakout rooms.
- Access to nature – e.g. doors from classrooms for direct access to outside space

For further information about accessibility and inclusivity of buildings, local authorities should refer to the published Building Bulletins for acoustics ([BB93](#)), ventilation ([BB101](#)), and space ([BB103](#), [BB104](#)), and how these can be designed to optimise inclusivity and accessibility. Additionally, local authorities may wish to refer to guidance on design for neurodiversity ([PAS 6463:2022](#)).

### **Assistive technology**

Additionally, evidence suggests that digital assistive technology (AT), such as scanning pens or dictation software, can be a valuable tool to support the inclusion of pupils with

SEND, when used effectively.<sup>2</sup> With this in mind, local authorities may wish to consider investment in assistive technology interventions as a means of supporting pupils in mainstream. This would complement existing initiatives to widen the effective use of assistive technology for pupils with SEND in mainstream schools, including:

- Improving Wi-Fi connectivity – the Connect the Classroom programme has reached almost 1.5 million pupils, working in partnership with over 3,700 schools to fund safe, secure, and high-speed wireless networks. It provides the foundation for assistive technology to function effectively across the whole school site.
- Upskilling the workforce – as of Sept 2025, content on the use of technology to support pupils with SEND will be covered as part of training for all trainee and early career teachers.

## Special school expansions

Special schools have a vital role to play in the system when it comes to supporting children with the most complex needs. We recognise the current pressures on the system and expect local authorities will continue using funding to deliver special school places where there is need in the area that cannot viably be met elsewhere, for example, in locations where there are evidenced cold spots in specialist provision or a particular reliance on more expensive independent special schools.

When expanding existing provision, local authorities should ensure they have appropriate regard to our statutory guidance on making significant changes to maintained schools, or if working with an Academy Trust, to our equivalent guidance on making significant changes to an open academy. We expect local authorities to be creating new (additional) places at good or outstanding schools and colleges and to notify the Department where this is not possible, and to do so at existing school sites (not satellite provision) wherever possible.

This applies to all special schools, including:

- Special schools (whether maintained or academy, including special free schools)
- Non-maintained special schools (NMSS)
- Special post-16 institutions

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<sup>2</sup> Evaluation of the DfE funded 'AT Test and Learn' programme (2023). Post-course survey respondents reported that for pupils with SEND, assistive technology positively influenced independence (92%), confidence (89%), attainment (64%), and behaviour & engagement (86%) [Assistive Technology Test and Learn evaluation IFF Research](#).



## Strategic Planning and Procurement

As set out above, HNPCA is not directly intended to address other capital needs, such as maintenance/condition work, core mainstream provision (covered by basic need allocations) or new nursery/post-16 provision except where this would increase or improve SEND provision within those settings. However, in planning capital projects, we expect that local authorities will think strategically and consider economies of scale or efficiencies that may be achieved. For example, combining condition works and expansion schemes, including as part of decisions taken in concert with other responsible bodies around use of the CIF, SCA, and the School Rebuilding Programme (where the department will be happy to discuss the potential for synergies with those local authorities involved).

Local authorities should also consider how they can secure wider social, economic and environmental benefits when commissioning public services/projects. Before they start the procurement process, local authorities should think about whether the works and services they are going to buy, or the way they are going to buy them, could secure such benefits for their area or stakeholders. In addition to local social value priorities, local authorities should consider the themes and policy outcomes in the Social Value Model. Further guidance is available at [GOV.UK](https://www.gov.uk/government/publications/social-value-act-information-and-resources)<sup>3</sup>.

Developer contributions are also an important way of helping to meet demand for new school places when future housing developments are contributing to increasing pupil numbers. The Local Planning Authority (LPA) secures developer contributions through section 106 agreements or the Community Infrastructure Levy (CIL) and decides what local infrastructure these contributions should support. We would encourage LPAs to negotiate significant contributions for new school places (including specialist provision) and work closely with colleagues planning school places in their area, including county councils when the local authority responsible for education is not the LPA. LPAs can approach the Department for Education for support on assessing local school infrastructure needs, calculating costs of school provision and negotiations with developers. Guidance for local authorities on securing developer contributions for education is published at [GOV.UK](https://www.gov.uk/government/publications/delivering-schools-to-support-housing-growth)<sup>4</sup>.

There are also specific conditions of grant attached to the HNPCA obligating local authorities to ensure any funding paid out under this grant is spent efficiently. The department expects local authorities to conduct a robust evaluation of procurement

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<sup>3</sup> <https://www.gov.uk/government/publications/social-value-act-information-and-resources/social-value-act-information-and-resources>

<sup>4</sup> <https://www.gov.uk/government/publications/delivering-schools-to-support-housing-growth>

options for any education capital projects and, in doing so, to consider the use of both [DfE's Construction Framework](#)<sup>5</sup> and its Modern Methods of Construction ([MMC](#)<sup>6</sup>) Framework where these are likely to deliver overall savings and advantages. A local authority should encourage academy trusts and other responsible bodies to do the same, should they be procuring a construction project directly.

Local authorities should also consider how to invest both revenue and capital funding strategically to maximise the benefit of both in their local context. The Children and Families Act 2014 also requires local authorities to keep their strategic plans for special educational provision under review, so local authorities should therefore consider how to best invest their HNPCA to improve their local offer. All local authorities should also consider completing a [DSG management plan template](#) to aid their strategic planning.

The DfE is committed to supporting the Government's targets on climate change, including achieving net zero carbon emissions by 2050 target, as set out in the Climate Change Act 2008. To help local authorities achieve the sustainability and design standards required to achieve net zero, HNPCA includes an uplift to support local authorities with the additional costs associated with net zero construction.

We strongly encourage local authorities, in developing their local capital plans to refer to the DfE's updated [School Output Specification 2021](#). This is a set of documents and tools that form the requirements for the design and construction of school building projects that are procured through the department's construction frameworks, and Annex 2J sets out the quality standards and performance requirements relating to sustainability for school buildings and grounds. Even if local authorities are not delivering their project through the DfE's Construction or MMC framework, these documents help set out best practice for delivering schools to higher sustainability standards, including considerations relating to buildings that are net zero carbon in operation and with additional climate resilience measures. Regardless of local authorities' chosen delivery route, when planning for the use of HNPCA, local authorities should ensure they are considering environmental sustainability, carbon reduction and energy efficiency, to develop solutions for projects that are in line with wider Government targets and objectives.

## Local Consultation

In line with their statutory responsibilities, we expect local authorities to consult in an appropriate and proportionate manner with local parents, carers, young people, and

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<sup>5</sup> <https://www.gov.uk/government/publications/school-buildings-construction-framework-2021>

<sup>6</sup> <https://www.gov.uk/government/publications/offsite-construction-framework-modern-methods-of-construction>

providers when developing their local capital strategy for HNPCA. Effective engagement with parents and carers is crucial in building and implementing a strategy that develops support for local changes. This will help local authorities ensure that services will meet the needs of children and families. Local authorities should also consider how they can collaborate with other local authorities to form partnerships to work effectively across local borders.

When providing detail of their capital spending plans through their Grant Assurance Data returns (detailed below), local authorities should also set out the details of any relevant consultation or engagement with local stakeholders they have undertaken in developing their capital proposals.

## Payments and Assurance Arrangements

We expect funding for the financial year 2025-26 to be paid in summer 2025. Local authorities will be required to verify this funding has been spent on capital projects through the section 151 officer's return for the relevant year.

As with previous HNPCA funding, we are also asking local authorities to complete and return a grant assurance data return at an appropriate interval, to provide details on the projects they intend to fund using their HNPCA. An updated template will be sent to Directors of Children's Services over the summer. To capture the full impact of this funding, local authorities should endeavour to include in their returns any projects receiving funding from 2022-2026. In addition, if projects benefitting from 2021-22 HNPCA funding have yet to be completed by the time of the data return, local authorities should also include these projects as well.

Local authorities should return their completed templates to the department by **1<sup>st</sup> October 2025** by emailing the completed template to: [capital.allocations@education.gov.uk](mailto:capital.allocations@education.gov.uk).

Local authorities are not required to publish these returns on their websites, but we would strongly encourage them to consider doing so to aid local transparency.

We recognise that not all HNPCA funding may be committed by the 1<sup>st</sup> October 2025, and therefore the template will include space for local authorities to record funding that is not currently committed to a project. We would however encourage all local authorities to complete the data return template to the best of their ability as this provides valuable data to the department as to the needs and the priorities of the sector in respect of high needs capital funding, which will help inform future policy development. If certain information might be considered locally or commercially sensitive (i.e. detailed costings for projects still in procurement or naming specific institutions where this might pre-empt local consultation), local authorities should consider whether they can instead provide indicative figures or generic information (i.e. a plan to create a new SEN unit in an unidentified local secondary, pending conclusion of local consultation etc.). If local

authorities have any queries or concerns about the information requested, they can contact us at [capital.allocations@education.gov.uk](mailto:capital.allocations@education.gov.uk) for further information or guidance.

In due course, we will also ask local authorities to provide details on their final expenditure of 2025-26 HNPCA through the Capital Spend Survey (CSS).

## Timeline

The timeline local authorities can expect:

- Local authorities will receive payment for their 2025-26 HNPCA grant in summer 2025
- Local authorities should complete their assurance data return template and return to [capital.allocations@education.gov.uk](mailto:capital.allocations@education.gov.uk) by 1 October 2025

If you any queries relating to this guidance, or any other aspect of High Needs Provision Capital Allocations, please contact [capital.allocations@education.gov.uk](mailto:capital.allocations@education.gov.uk).



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