



Department
for Education

High Needs Stability Grant GRANT DETERMINATION 2026-27: No 31/8575

The Minister of State for Education (“the Minister of State”), in exercise of the powers conferred by section 31 of the Local Government Act 2003, makes the following determination:

Citation

1) This determination may be cited as the High Needs Stability Grant Determination 2026-27 No 31/8575.

Purpose of the grant

2) The purpose of the grant is to provide support to local authorities in England towards expenditure lawfully incurred or to be incurred by them.

Determination

3) The Minister of State determines the authorities to which grant is to be paid and the amount of grant to be paid; these are set out in Annex A.

Grant conditions

4) Pursuant to section 31(4) of the Local Government Act 2003, the Minister of State determines that the grant will be paid subject to the conditions in Annex B.

Treasury consent

5) Before making this determination in relation to local authorities in England, the Minister of State obtained the consent of the Treasury.

Signed by authority of the Minister of State for Education

Paul Baker, Funding Policy Unit, Deputy Director

ANNEX A – High Needs Stability Grant GRANT DETERMINATION 2026-27: No 31/8575

High Needs Stability Grant allocations can be found published at:

<https://www.gov.uk/government/publications/high-needs-stability-grant-2026-to-2027>

ANNEX B – High Needs Stability Grant GRANT DETERMINATION 2026-27: No 31/8575

GRANT CONDITIONS

1. Subject to condition 4, allocations of the High Needs Stability Grant must be used exclusively to extinguish an amount of the local authority's Dedicated Schools Grant deficit that is recognised in the unusable reserve as at 31 March 2026.
2. Allocations of the High Needs Stability Grant will only be paid once a local authority has developed and submitted to the Department for Education a Local SEND reform plan which is then approved as meeting the required criteria. We expect local SEND reform plans to be developed collaboratively by local area partnerships - including schools, health, early years settings and post-16 providers – to ensure the plan reflects the shared responsibility of the whole local system in supporting children and young people.
3. Where the Statutory Override prevents immediate application of the grant to the DSG deficit, the authority must:
 - a. hold the grant in an appropriate reserve; and
 - b. apply the grant only to reduce the DSG deficit recognised as at 31 March 2026 when the Statutory Override ceases to have effect.
4. Where the calculated High Needs Stability Grant exceeds the local authority's Dedicated Schools Grant deficit that is recognised in the unusable reserve as at 31 March 2026, including where this arises because the authority's agreed local contributions have exceeded the minimum contribution of 10%, any such excess is not subject to restrictions set out in these grant conditions.

5. Breach of conditions and withholding future funding

If the recipient authority fails to comply with any of the grant conditions, or if any overpayment is made under this grant, or any amount is paid in error, or any unspent funding is not returned, the Secretary of State may reduce, suspend or withhold grant payments or require the repayment of the whole or any part of the grant monies paid, as may be determined by the Secretary of State and notified in writing to the recipient authority. Such sum, as has been notified, will immediately become repayable to the Secretary of State who may offset the sum against any future amount due to the recipient authority from central government.