**Report to Hartlepool Schools’ Forum 19 November 2020**

**From Amanda Whitehead (Assistant Director - Education)**

**Item 5 : The Horizon School and Alternative Provision 2020/21 Estimated Outturn**

1. **Introduction**
   1. The purpose of the report is to provide an update to Forum on the estimated 2020/21 outturn for the Horizon School and Alternative Provision (AP) services.
   2. These budgets sit within the High Needs Block and are included in the projected high needs block outturn presented as a separate item on this agenda.
2. **Background**

2.1 The Horizon School brought forward a historic deficit of £0.068m from 2018/19. Schools’ Forum agreed to use DSG reserves to clear the deficit.

2.2 Schools’ Forum agreed to fund an annual cost baseline of £0.750m from the High Needs Block for the Horizon School for 2019/20 and 2020/21. For 2020/21 the contribution from the High Needs Block is a net £0.675m (after direct income credited the Horizon School).

2.3 Forum Members will recall that the financial responsibility for AP transferred to the Horizon School Head Teacher during 2020/21. Therefore, management of costs for permanently excluded pupils, whether managed within the Horizon School or within AP is now combined.

**3. Horizon School and AP Pupils**

3.1 The following tables provide an analysis of pupils currently managed within the Horizon School, including Home Hospital.

**Horizon School**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | PEX | | Dual Registered | |  |
| Key Stage | Year Group | Girls | Boys | Girls | Boys | Total |
| KS2 | Y5 |  |  |  |  |  |
| Y6 |  |  |  |  |  |
| KS3 | Y7 |  |  |  |  |  |
| Y8 |  | 1 |  | 1 | 2 |
| Y9 | 1 | 3 |  | 1 | 5 |
| KS4 | Y10 | 3 | 6 | 1 |  | 10 |
| Y11 | 2 | 5 |  | 1 | 8 |
| Total |  | 6 | 15 | 1 | 3 | 25 |

**Home Hospital**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | Home Hospital | | Outreach | |  |
| Key Stage | Year Group | Girls | Boys | Girls | Boys | Total |
| KS2 | Y5 |  |  |  |  |  |
| Y6 |  |  |  |  |  |
| KS3 | Y7 |  |  |  |  |  |
| Y8 |  |  | 1 |  | 1 |
| Y9 | 1 |  |  |  | 1 |
| KS4 | Y10 |  |  | 1 |  | 1 |
| Y11 | 3 | 1 |  |  | 4 |
| Total |  | 4 | 1 | 2 |  | 7 |

3.2 Ten of these pupils spend at least part of their time in Alternative Provision.

**4. Projected Outturn 2020/21 – Horizon School**

4.1 As at the half-year point, the Horizon School is projecting an underspend of £0.072m.

4.2 Costs continue to be challenged and reduced where possible and anticipated income is expected to be £0.057m above budget by the year-end.

**5. Projected Outturn 2020/21 – AP**

5.1 The AP budget funds the cost of school fees at external provision and pupil transport costs.

5.2 Eight pupils in AP currently require transport. An estimated spend of £0.032m against the budget of £0.040m is projected.

5.3 School fees are expected to cost £0.155m in 2020/21. This cost includes £0.048m for previous pupils in AP where provision ended before responsibility transferred to the Horizon School Head Teacher. Ongoing costs for the 10 pupils currently in AP are expected to cost £0.107m.

5.4 The cost of school fees can change as outreach places end and new students come in, it can also change due to reintegration or new permanently excluded pupils starting with the Horizon School.

5.5 The 2020/21 projected spend for transport and school fees is £0.187m. This compares to an equivalent spend of £0.192m in 2019/20. There is a strong drive to reduce the cost of AP and new panel arrangements are adding challenge to spending decisions.

5.6 Where a pupil is permanently excluded, any funding for AWPU and other pupil characteristics is clawed back from the excluding school. For the time a permanently excluded pupil is managed either in the Horizon School or AP, the clawback income is credited to the AP budget, in line with the Commissioning Agreement. A budget target of £0.150m for clawback income is included in the 2020/21 budget.

5.7 Clawback of pupil funding for permanently excluded pupils is only possible where the pupil was on a school roll during the latest funding period (i.e. financial year). This is not the position for a significant number of pupils being managed in the Horizon School or AP in 2020/21 to date. Clawback of funding is currently possible for only 6 pupils. Therefore, clawback income is estimated at £0.045m for the year, against a budget target of £0.150m. In comparison, the clawback income in 2019/20 was £0.198m.

5.8 The following table summarises the AP projected outturn for 2020/21 and the anticipated overspend of £0.099m.

|  |  |  |  |
| --- | --- | --- | --- |
|  | Budget 2020/21  £m | Outturn Projection 2020/21  £ | Projected Variance 2020/21 |
| Transport | 0.040 | 0.032 | (0.008) |
| School Fees | 0.153 | 0.155 | 0.002 |
| Clawback Income | (0.150) | (0.045) | 0.105 |
| TOTAL | 0.043 | 0.142 | 0.099 |

**6.** **Recommendations**

6.1 Forum is recommended to note the contents of the report.