
SCHOOLS' FORUM

Thursday 15 February 2023 – 10am

Conference Suite, CETL

A G E N D A

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|----|---|--------------------|
| 1. | Apologies | Chair |
| 2. | Minutes from Schools' Forum meeting on 7 th December and Matters Arising | Chair |
| 3. | Pupil Numbers / Projections (I) | Amanda Whitehead |
| 4. | Dedicated Schools Grant – Early Years Block 2024/25 (D) | Penny Thompson |
| 5. | High Needs Block (HNB) Projected Outturn 2023/24 (I) | Danielle Swainston |
| 6. | Permanently Excluded Pupils (PEXs) (D) | Amanda Whitehead |
| 7. | Statutory Accounts Closure Process 2023/24 (I) | Amanda Whitehead |

Date and Time of Next Forum Meeting – Thursday
7 March 2024, 10am CETL Conference Suite

Schools' Forum Meeting 7 December 2023

Attendees:**Members**

Rebecca Baxter (RB) (Primary)
 Carole Bradley (CB) (Academy Primary)
 Tracey Gibson (TG) (Academy – Secondary)
 Lisa Greig (LG) (Academy – Special)
 John Hardy (JH) (Academy – Primary)
 Phil Pritchard (PP) (Academy – Primary)
 Linda Richardson (LR) (Early Years)
 Sue Sharpe (SS) (Primary)
 Mark Tilling (Chair) (Maintained Secondary)
 Zoe Westley (ZW) (Academy – Special)
 Leanne Yates (LY) (Maintained Primary)

Local Authority Officers

Sandra Shears (SSh) -
 Children's Finance

Fiona Stobbs (FS) – Senior
 Advisor Inclusion / SEND

Jo Stubbs (JS) - Administrator

Danielle Swainston (DS) –
 Assistant Director Joint
 Commissioning

Jane Watt (JW) - Children's
 Finance

Amanda Whitehead (AW) –
 Assistant Director Education

Agenda Item	Action
<p>1 Apologies -</p> <p>Apologies were submitted by the following and accepted by Forum:</p> <p>Chris Connor (Maintained Primary) Sara Crawshaw (RC Diocese) Toni Ray (Early Years) Emma Rutherford (Horizon School) Chris Simmons (Academy Trustee) Dave Turner (Primary) – Rebecca Baxter substitute Lee Walker (Academy – Primary) Joanne Wilson (Academy – Primary) Vicki Wilson (CoE Diocese)</p>	

<p>2</p>	<p>Minutes of the Last Meeting – 23 November 2023 – and Matters Arising</p> <p>Growth Fund Block Transfer Proposal 2024/25 – SS thanked the Chair for expressing her disappointment at the proposal that a block transfer be made from the Schools Block (growth funding) to the High Needs Block of 2024/25. Her school had taken in 48 additional children this year but only 28 had been funded, leaving children unfunded. SSh advised that models proposed for growth disbursement did not include the October 2023 census as the data was not available at the time of modelling. The Chair acknowledged concern that children who move into authority are unfunded and suggested this be looked at again in the new financial year. SS highlighted hers was not the only school to suffer in this way.</p> <p>CB asked for clarification on whether the growth funding transfer could be ringfenced to support the needs of unfunded (via the formula) pupils moving into area. SSh confirmed this was not allowable, although schools could use the existing process to apply for SEND support.</p> <p>High Needs Block 2024/25 – LG requested that the minutes be amended slightly in terms of Louise Robson’s comments that nil support to any of the budget proposals could be considered a reckless approach. Louise wished to clarify that she had been referring to this situation only and asked that ‘in this case’ be added.</p> <p>Outstanding Actions Logs – the 3 year recovery plan for HNB spending was a work in progress – DS was working on the case studies for pupils placed in Independent Schools</p> <p>Minutes approved.</p>	
<p>3</p>	<p>Indicative Schools Block Budget Models 2024/25</p> <p>At the previous meeting officers had been asked to model sparsity levels of 50% and 100%. Officers had previously recommended a sparsity level of 20% for the 2 eligible schools but members felt that it remained important to follow the National Funding Formula for consistency across all factors, including sparsity. On the basis of the October 2022 census an allocation of 100% would be affordable without a cap.</p> <p>Decision</p> <ul style="list-style-type: none"> • That the report be noted • That 100% of the sparsity factor be applied to eligible schools for 2024/25. 	

<p>4</p>	<p>High Needs Block 2024/25</p> <p>At the previous meeting members had discussed High Needs Block budget proposals for 2024/25. They had felt unable to support the proposed budget cuts as they were concerned ‘that such disinvestment would mean that some of the budget proposals do not meet the educational needs of our children’. For transparency, DS confirmed the proposals in terms of recovery plan options that officers intended to put forward to Children’s Services Committee.</p> <p>LG asked that Forum representatives on the Committee highlight the return on investment made in the special schools, specifically that 20% of leavers had gone into employment. She also highlighted that a former pupil with severe autism had been working for 7 years and this would not have happened without the school’s input. ZW agreed to communicate Forum’s concerns to the Committee.</p> <p>DS acknowledged the comments of members in terms of funding cuts but reiterated it was not acceptable to have a £9 million deficit which is what would happen if cuts were not made.</p> <p>CB queried whether other ways to make budget cuts had been explored. ZW advised that budget cuts were having greater impact across other Council departments and only statutory services were being provided.</p> <p>Decision</p> <p>That the report be noted.</p>	
<p>5</p>	<p>Any Other Business</p> <p>SEMH Free School Impact of Delay</p> <p>Members were advised that there had been a 2 year delay in the building of the free school and it was now scheduled to open in September 2024. Based on the potential number of children who had been using external provision during those 2 years who would have been considered for placement there would have been a potential saving of £160K per year. Members were surprised these savings were not larger.</p> <p>Use of SEMH funding</p> <p>DS referred to previous discussions around cluster based modelling and requested that members indicate whether they would be happy to approve that SEMH funding be used to facilitate early work. A final report would be brought to the Forum’s February meeting. Members raised no objections to this.</p>	

	<p>Looked After Children Pupil Premium</p> <p>ZW asked for the change in Pupil Premium funding to schools to be communicated and explained. AW advised that one of the savings approved at Tuesday’s Children’s Services Committee was around pupil premium funding for the virtual school. Currently this stood at 60% to the school and 40% to the local authority. Rising costs around back office support for statutory services have prompted a change to 50% funding to school and 50% to the local authority, a reduction of £253 per pupil to the school. . LG noted that schools had already allocated their funding and it would have been helpful if schools had been aware of these additional costs before this had happened. SS queried the necessity of an increase in back office services. AW advised that there had been an extension of statutory duties in respect of the virtual school due to an increase in Looked After Children without the capacity to cover these duties. Members queried whether their school budget reports would need to be revisited in light of these changes but JH commented that schools were allowed to carry a deficit forward and could account for it next year. SSh confirmed that these savings would need final approval at Finance and Policy Committee in 2024.</p>	
<p>9</p>	<p>Date and Time of Next Forum Meeting – Thursday 15 February, CETL Conference Suite</p>	

OUTSTANDING ACTIONS LOG

Meeting	Description	Owner
01/03/23	Develop 3 year recovery plan for High Needs Block spending	Schools Forum
18/10/23	Provide case studies for pupils placed in Independent Schools (SEMH information previously provided)	Danielle Swainston

Financial Year 2023/24: Children’s Services Committee – Log of Schools’ Forum
Recommendations and Committee Decisions

Last Updated: 5 December 2023

Committee Date	Report	Recommendation and Decision Details
14/11/23	Dedicated Schools Grant (Former Education Services Grant rate per pupil) – Disapplication Request	<p>The Committee:</p> <ul style="list-style-type: none"> a) Agreed the 2024/25 funding rate at £60 per pupil/place. b) Agreed to submit the disapplication request to the Secretary of State to set the Education Services General Duties rate at £60 per pupil/place for 2024/25. c) Noted this will be the eighth consecutive year the local authority has applied for disapplication and that the previous seven applications have been successful. d)
		a)

**Report to Hartlepool Schools' Forum 15 February 2024
From Amanda Whitehead – Assistant Director, Education**

Item 3 – Pupil Numbers / Projections

1. PURPOSE OF REPORT

- 1.1 To provide Headteachers with data in respect of expected birth rates and projections for the next 5-10 years.

2. BACKGROUND

- 2.1 Following requests by headteachers for pupil projection data, the following information has been produced.

3. BIRTH RATES

- 3.1 The number of new births registered in the local authority is a key indicator of future pupil numbers. From its low point in 2000/01, the birth total for Hartlepool rose to a peak of 1,184 in 2005/06. Since 2012/13, birth numbers have gradually reduced, with 890 births recorded in 2021/22, a slight decrease from 2020/21 (Table 1 below).

Table 1 – Hartlepool – Live Births, 2003/04 -2021/22

Year of Birth (Sept-Aug)	Year Entering Reception	Births	Annual difference	Current Roll	Year Group
2003/04	2008/09	1,083		4	Y14
2004/05	2009/10	1,095	12	104	Y13
2005/06	2010/11	1,184	89	88	Y12
2006/07	2011/12	1,160	-24	1,069	Y11
2007/08	2012/13	1,168	8	1,141	Y10
2008/09	2013/14	1,173	5	1,136	Y9
2009/10	2014/15	1,152	-21	944	Y8
2010/11	2015/16	1,182	30	1,146	Y7
2011/12	2016/17	1,153	-29	1,186	Y6
2012/13	2017/18	1,050	-103	1,091	Y5
2013/14	2018/19	1,077	27	1,115	Y4
2014/15	2019/20	1,041	-36	1,074	Y3
2015/16	2020/21	1,067	26	1,088	Y2
2016/17	2021/22	1,005	-62	1,030	Y1
2017/18	2022/23	1,018	13	1,046	R
2018/19	2023/24	986	-32		Age 4
2019/20	2024/25	955	-31		Age 3
2020/21	2025/26	907	-48		Age 2
2021/22	2026/27	890	-17		Age 1
# 2022/23	2027/28	879	-11		Age 0

Source: Office for National Statistics

Projected births derived from ONS 2018-based population projections, rebased to the births total for academic year 2021/22

4. PRIMARY PROJECTIONS

- 4.1 Future pupil numbers are 'projections' in that they project forwards recent historical trends using the latest information available on cohort sizes, fertility trends, migration and future housing developments. Longer term projections (beyond Spring 2027) rely on the estimation of future births.
- 4.2 Projections are based around planning areas of which there are three within Hartlepool (rather than Cluster Groups). North West, Central & East and South West. The primary pupil projections have been split into these planning areas and the schools located within them are detailed below. It must be noted that uncertainties are magnified for projections which are affected by a range of local factors, including new housing developments, parental preferences and potential changes to school admission numbers; all of which are challenging to predict.

4.3 NORTH WEST PLANNING AREA PRIMARY SCHOOLS

Barnard Grove	St Peter's Elwick
Clavering	Throston
Hart	West Park
Jesmond Gardens	West View
Sacred Heart RC	<i>(High Tunstall / St Hild's)</i>
St John Vianney RC	

PRIMARY PROJECTIONS FOR NORTH WEST PLANNING AREA			
Spring Term	Number of Pupils per Year		
	R	Y6	R-Y6
2019	381	414	2,841
2020	387	423	2,820
2021	401	375	2,794
2022	392	428	2,820
2023	366	429	2,777
2024	333	387	2,705
2025	356	400	2,700
2026	340	408	2,665
2027	336	416	2,612
2028	331	413	2,534
2029	329	379	2,450
2030	327	350	2,401
2031	324	364	2,374
2032	322	345	2,330
2033	322	340	2,310
2034	320	340	2,291

4.4 CENTRAL & EAST PLANNING AREA PRIMARY SCHOOLS

Brougham	St Bega's
Eldon Grove	St Cuthbert's RC
Golden Flatts	St Helen's
Holy Trinity	St Joseph's RC
Kingsley	Stranton
Lynnfield	Ward Jackson
Rift House	(Dyke House/ English Martyrs)
St Aidan's	

PRIMARY PROJECTIONS FOR CENTRAL & EAST PLANNING AREA			
Spring Term	Number of Pupils per Year		
	R	Y6	R-Y6
2019	470	512	3,575
2020	445	530	3,476
2021	425	546	3,365
2022	409	514	3,262
2023	424	510	3,229
2024	441	477	3,158
2025	399	477	3,070
2026	374	452	2,963
2027	368	451	2,867
2028	359	416	2,783
2029	355	431	2,739
2030	350	441	2,671
2031	350	406	2,595
2032	351	385	2,556
2033	351	374	2,533
2034	352	369	2,520

4.5 SOUTH WEST PLANNING AREA PRIMARY SCHOOLS

Eskdale	Rossmere
Fens	St Teresa's RC
Grange	(Manor)
Greatham	

PRIMARY PROJECTIONS FOR SOUTH WEST PLANNING AREA			
Spring Term	Number of Pupils per Year		
	R	Y6	R-Y6
2019	236	245	1,671
2020	228	233	1,656
2021	231	253	1,645
2022	217	236	1,607
2023	256	247	1,624
2024	210	226	1,603
2025	210	240	1,595
2026	202	223	1,572
2027	197	230	1,556

2028	198	226	1,539
2029	197	268	1,520
2030	195	223	1,461
2031	197	225	1,447
2032	198	213	1,435
2033	199	211	1,432
2034	200	210	1,433

5. IN-YEAR SCHOOL ADMISSIONS

- 5.1 The LA co-ordinate in year school admissions for all Hartlepool schools in accordance with the School Admissions Code (2021). Requests for in year admissions have been increasing year on year and in particular, requests for places from families moving into Hartlepool, of which, a high proportion are families arriving from overseas. Detailed below are the number of applications received and processed to schools for the 2021/22, 2022/23 academic years and the first term of 2023/24. As you will see, this academic year already shows a large number have already been processed.

	2021/22	2022/23	2023/24 (as @ 22/12/23)
Total	671	756	472
H'pool to H'pool	293	305	132
Moved into Area	360	434	317
of which, Out of Area (UK)	282	274	203
of which, Out of Area (Overseas)	78 (of which, 19 Nigeria)	160 (of which, 96 Nigeria)	114 (of which, 82 Nigeria)
Home Education transferring back into school	18	17	23

- 5.2 Some of the families from overseas have arrived from the following countries:

Abu Dhabi, Bulgaria, Chile, Egypt, Ethiopia, India, Ireland, Iran, Kenya, Nigeria, Pakistan, Romania, South Africa, Tanzania, Vietnam, Ukraine, Zimbabwe

6. HOUSING DEVELOPMENTS

- 6.1 The latest information on expected housing developments and trajectories (with planning permissions) have been factored into the projections. There are two large scale developments within the Hartlepool Local Plan, one within the

South West planning area (South West Extension 1200 dwellings), this has planning permission subject to the signing of a legal agreement which is imminent.

High Tunstall housing development (1200 dwellings) has a planning permission. The first phase of High Tunstall has received Reserved Matters planning permission and 162 units are permitted to build out and work has started on site.

- 6.2 In terms of the provision of schools on the large scale sites, the South West Extension will secure land for a new primary school and will pay a contribution for the delivery on site. The High Tunstall development also secures the land on site for a primary school but has not secured guaranteed funding for the school due to the requirement to assist in paying for a grade separated junction and new road to the north of Elwick. If funding for the bypass is secured from external grant it may free up contributions to go towards the school but there is no guarantee of this, however, the building of any new schools will be dependent on pupil numbers within existing schools.

7. POTENTIAL FUNDING IMPLICATIONS

- 7.1 Other than funding for National Non-Domestic Rates and growth funding, the National Funding Formula for school funding is driven solely by pupil numbers and pupil characteristics. This means there is a direct correlation between pupil number decreases and loss of Dedicated Schools Grant funding.
- 7.2 For 2024/25, the primary unit of funding (PUF) is £5,382.14 and secondary unit of funding (SUF) is £6,926.08.
- 7.3 Between the October 2022 and October 2023 census, primary pupils across Hartlepool have reduced by 17. This equates to a funding reduction of £91,496.38.
- 7.4 Between the October 2022 and October 2023 census, secondary pupils across Hartlepool have increased by 74. This equates to additional funding in the secondary sector of £512,529.92.

8. RECOMMENDATIONS

- 8.1 Schools Forum are asked to note the contents of this report.

Report to Hartlepool Schools' Forum 15 February 2024
From Penny Thompson – Head of Housing, Hardship and Welfare Support Services

Item 4: Dedicated Schools Grant – Early Years Block 2024/25

1. Introduction

- 1.1 The purpose of the report is to consult on the 2024/25 Early Years National Funding Formula (EYNFF) and funding of Providers.
- 1.2 This report presents a summary of the consultation responses for consideration by Schools' Forum.
- 1.3 Children's Services Committee will receive the results of all consultation, along with the recommendations from Schools' Forum at their meeting on 19 March 2024.

2. Background

- 2.1 The 'Early Years Block' (EYB) is issued to local authorities specifically for the delivery of the early year's offer. Funding and associated entitlements are expanding significantly in 2024/25, with the introduction of 2 year old entitlements for working parents from 1 April 2024 and new entitlements for children aged from 9 months to 2 years from 1 September 2024.
- 2.2 As this is a year of significant change, this brings a greater level of uncertainty to budget planning for the local authority. As such, careful consideration of proposed hourly rates for providers is required, along with an appropriate amount that should be centrally retained to fund the effective management of expanded entitlements by the authority.
- 2.2 Local authorities are required to consult providers on proposed annual changes to local early year's funding formulas, although the final decision rests with the local authority.
- 2.3 Consultation with providers was open between the 2 January and 16 January 2024.
- 2.4 The Council is consulting on proposed hourly rates for the following provisions in 2024/25:
 - 3 to 4 year old provision;
 - A combined rate for 2 year old provision – available to both eligible disadvantaged pupils and the new working parent entitlement;
 - A 9 months to 2 year old provision (effective from 1 September 2024).
- 2.5 The table below provides the provisional early year's funding for Hartlepool provision in 2024/25. Funding for the new entitlements is on the basis of estimated take-up using Part Time Equivalents (PTE). These estimates have been completed by DfE (Department for Education). Owing to the uncertain nature of the estimates, DfE have introduced additional census points for the new entitlements during 2024/25 so that the estimates can be adjusted based on actual take-up.

Early Years Block 2024/25	Hourly Rate Funding £	Part Time Equivalents (Estimate)	Indicative Funding £
3 to 4 Year Olds – Universal	5.63	1,310.20	4,204,563
3 to 4 Year Olds – Additional	5.63	412.09	1,322,439
3 to 4 Year Olds – Pupil Premium			194,099
3 to 4 Year Olds – Disability Access Fund			83,720
2 Year Olds – Disadvantaged	8.02	383.33	1,752,355
2 Year Olds – Working Parents	8.02	251.67	1,150,485
2 Year Olds – Pupil Premium			114,843
2 Year Olds – Disability Access Fund			21,840
Under 2 Year Olds	10.95	127.51	795,854
Under 2 Year Olds – Pupil Premium			5,741
Under 2 Year Olds – Disability Access Fund			5,460
Total Indicative Funding 2024/25			9,651,399

- 2.6 At their meeting on 21 September 2023, Forum were asked to support retention of 3% of Early Year's funding in 2024/25. At that stage, DfE were planning to reduce the maximum retention allowed from 5% to 3%. Since then, DfE have acknowledged that it would not be feasible to mandate this reduction until take up for the new entitlements is embedded.
- 2.7 In response, the authority is proposing a 4% retention for 2024/25. Modelling shows that 3% is not yet affordable to fund the required service costs, however, the reduction from 5% to 4% demonstrates transition towards the future plans for a 3% maximum.

3. Considerations for the Hartlepool Formula

- 3.1 Alongside the expansion of entitlement in 2024/25, DfE has introduced changes to the structure of hourly rate payments to providers. Local Authorities must take the funded hourly rates (Hartlepool rates shown in the table at section 2) and decide how the hourly rate should be split and used.
- 3.2 Local authorities need to consider the following in proposing an hourly rate structure for each provision:
- At least 95% of the funded hourly rate must be passed to providers. This will move to a minimum of 97% once the expanded entitlements are embedded. There is no agreed date for this as yet;
 - The level of funding needed to effectively administer and manage the expanded early year's offer by the Council. This can be up to 5% of the hourly rate in 2024/25;
 - An appropriate level of contingency in case payments to providers during the year exceed census funding levels. [It must be noted that Hartlepool Borough Council has historically made payments to providers for 2 year old placements where, owing to census numbers, sufficient funding has not been received to cover payments, resulting in a deficit position];

- A Special Educational Needs (SEN) Inclusion fund to support individual children with low level and emerging needs;
 - Additional financial support for those children living with a greater level of deprivation.
- 3.3 The local authority can choose whether to introduce a single rate that covers all 2 year old provision – whether provision relates to existing disadvantaged children or to new 2 year olds of working parents or two different rates for the two categories of children. A single rate is proposed under the Hartlepool formula for 2024/25 to avoid the unnecessary complexity that separate hourly rates would add.
- 3.4 In 2023/24, DfE added funding for Teacher pay and pension increases into the 3 to 4 year old hourly rate. This was previously a separate grant paid to schools and academies. This amount is currently managed as a supplement in the hourly rate formula for Hartlepool.
- 3.5 Additional funding is being provided by DfE in 2024/25 to help support the Teacher’s pay award from September 2023, along with employer pension contribution increases. Local Authorities can choose whether to add this new funding to the existing Teacher’s Pay Supplement (to benefit those settings with a qualified teacher only), or to add it to the base rate (to benefit all providers of 3-4 year old provision).

4. Hourly Rate Proposals for 2024/25

- 4.1 This section includes proposals for hourly rate splits for each type of provision in 2024/25:
- 3 to 4 year old provision;
 - A combined rate for 2 year old provision – available to both eligible disadvantaged pupils and the new working parent entitlement;
 - A 9 months to 2 year old provision (effective from 1 September 2024).
- 4.2 Key principles within the proposed hourly rate splits are:
- In order to provide adequate funding to the local authority for administration and management of the extended offer, the Council proposes to retain 4% of hourly rate funding across all types of provision, in previous years the Council has requested a 5% retention;
 - A supplement for deprivation should be included against 3 to 4 year old provision only, where this remains a mandatory requirement. For the other types of provision, the authority believes that a higher base rate to all providers as opposed to a small deprivation supplement is preferable;
 - A contingency amount should be included across all provisions because of the greater uncertainty surrounding budgets in 2024/25, alongside the expansion of provision, see explanation in 3.2. A higher contingency rate is proposed against the new entitlements, linked to the levels of uncertainty;

- A SEN Inclusion fund should be set aside across all provisions in order to support increasing numbers of children with low level and emerging need.

4.3 Proposed hourly rate payments for **3 to 4 year old provision** are shown in the table below. The funded hourly rate for 3 to 4 year old provision is £5.63. This includes 49p for the Teacher pay and pension funding. Without this extra funding, the DfE hourly rate is £5.14.

3 to 4 Year Old Provision	Hourly Rate	Percentage	Funding Split (using estimated PTE)
Total funded hourly rate	£5.63	100%	£5,527,001
Retained by local authority	£0.23	4%	£221,080
Proposed split for the 96% pass through to Providers			
Base rate	£5.10	90.6%	£4,765,983
Deprivation Supplement	£0.01	0.2%	£9,817
Teacher Pay / Pension Supplement	£0.24	4.3%	£481,036
Contingency	£0.02	0.4%	£19,634
SEN Inclusion	£0.03	0.5%	£29,451

- 4.4 The authority is proposing to add the 25p new funding for Teacher's pay increases to the overall base rate, instead of adding it to the existing 24p supplement. This would provide equity across all Providers. As school settings provide over 86% of 3-4 year old provision, the increase of 25p on the base rate would continue to largely benefit schools as opposed to private providers.
- 4.5 Providers employing a qualified teacher would continue to attract the Teacher pay and pension supplement funded at 24p on both universal and additional hours.
- 4.6 Proposed hourly rate payments for a single **2 year old provision** rate are shown in the following table. This mirrors the 3 to 4 year old hourly rate proposal except for:
- No deprivation supplement – this funding has been allocated to the base rate instead;
 - No Teacher pay and pension supplement – this only applies to 3 to 4 year old funding as per DfE guidance
 - Increased contingency rate to reflect the greater uncertainty of new entitlement funding

2 Year Old Provision (disadvantaged and working parent)	Hourly Rate	Percentage	Funding Split (using estimated PTE)
Total funded hourly rate	£8.02	100%	£2,903,129
Retained by local authority	£0.32	4%	£116,114
Proposed split for the 96% pass through to Providers			
Base rate	£7.57	94.4%	£2,739,962
Deprivation	-	-	-
Contingency	£0.10	1.2%	£36,195
SEN Inclusion	£0.03	0.4%	£10,859

- 4.7 Proposed hourly rate payments for the new **under 2 year old provision** rate are shown in the following table. Provision under the new entitlement starts from 1 September 2024. The splits mirror the 2 year old hourly rate proposal.

Under 2 Year Old Provision	Hourly Rate	Percentage	Funding Split (using estimated PTE)
Total funded hourly rate	£10.95	100%	£795,854
Retained by local authority	£0.44	4%	£31,834
Proposed split for the 96% pass through to Providers			
Base rate	£10.38	94.8%	£754,426
Deprivation	-	-	-
Contingency	£0.10	0.9%	£7,268
SEN Inclusion	£0.03	0.3%	£2,180

5. **Consultation Responses**

- 5.1 The consultation with providers ended on 16 January 2024. A summary of the responses is provided in the table below. 21 Providers (or 25%) responded to the consultation.
- 5.2 After the consultation window closed, a further option became evident that Officers were not aware of and that has been considered by regional authorities. This affected use of the new 25p per hour funding on 3 to 4 year old provision only to support Teacher's pay increases from September 2023. The local authority has a choice on whether to increase the current supplement from 24p to 49p, or whether to apply the new 25p to the base rate. In response, an additional question was sent to all providers on 30 January 2024 asking for their view.
- 5.3 Consultation with Providers demonstrates overall strong support to the planned hourly rates, with percentages of providers in agreement ranging from 67% to 92%.

Early Years Consultation 2024/25 - Responses	Yes	No	Not Sure	Total	% Agreed
1: A pass-through rate of 96% (the minimum is 95%) is proposed. This proposal is expected to provide the budget required to effectively administer and manage the extended offer. However, the resources needed to maintain the expanded service are unclear at this stage so may cost more than expected. Do you agree that 96% should be passed through to providers across all hourly rates in 2024/25?	16	4	1	21	76%
2: Do you agree that funding for deprivation should be part of the base rate for 2 year old and under 2 year old provision instead of setting a separate deprivation supplement? Please note that deprivation remains a mandatory supplement for 3 and 4 year old provision.	15	6	0	21	71%
3: The new entitlements in 2024/25 bring a greater degree of uncertainty to funding levels and payments to providers for the local authority. This is why the Council is proposing to set aside a contingency amount within each hourly rate split, with a larger contingency rate on the new entitlements. Do you agree that a contingency should be set aside to help manage the uncertainty?	19	0	2	21	90%
4: A greater level of Special Education Needs and Disabilities (SEND) is emerging within the early year's sector. The Council believes it is important to use some of the hourly rate funding for a SEN inclusion fund across all provisions. Do you agree with this approach?	18	0	3	21	86%
5: The Council is proposing to simplify 2 year old payments by adopting a single rate that includes the existing disadvantaged provision, along with the new working parent entitlement. Do you agree that a single rate should be set?	14	5	2	21	67%
Supplementary question following close of main consultation					
Supplementary: Do you agree that the 25p is applied to the base rate instead of via the existing supplement?	23	2	0	25	92%

6. **Recommendations**

6.1 Schools' Forum are asked to:

- Note the contents of the report and the consultation responses included
- Approve the centrally retained budget at a revised 4%;
- Approve the hourly rate for 3 to 4 year old provision shown at paragraph 4.3 of this report;
- Approve the hourly rate for 2 year old provision (single rate) shown at paragraph 4.6 of this report;
- Approve the hourly rate for under 2 year old provision shown at paragraph 4.7 of this report.

A vote is required and ALL Schools' Forum members are eligible to vote.

**Report to Hartlepool Schools' Forum 15 February 2024
From Danielle Swainston (Assistant Director – Joint Commissioning)**

Item 5: High Needs Block (HNB) Projected Outturn 2023/24

1. Introduction

- 1.1 The purpose of the report is to present the projected 2023/24 outturn for high needs services based on spending to the end of quarter three.

2. Background

- 2.1 Financial pressures affecting the provision of services for Special Educational Needs and Disabilities (SEND) are reported to Schools' Forum at regular intervals.
- 2.2 Projected outturns for 2023/24 based on worse-case, mid-case and best-case have been prepared.
- 2.3 The final position for 2022/23 was a year-end overspend of £0.752m.
- 2.4 Children's Services Committee approved the recommendation of Schools' Forum to set a budget requirement exceeding available HNB funding by £2.147m in 2023/24. Schools' Forum agreed to establish a recovery plan to bring high needs block spending back in line with budget within 3 years.
- 2.5 Initial recovery plan savings for 2024/25 were discussed at Forum on the 23 November 2023. Recovery plan proposals included a block transfer from the School's Block using the 2024/25 growth funding estimated at £0.349m. Schools Forum supported the block transfer to be referred to Children's Services Committee for approval. Although Officers will be recommending further savings of £0.600m to Committee, these were not supported by Forum. These savings are shown in the table below.

Proposal	Potential Budget Gap Reduction £m
Aim to limit new independent school placements to 5 places (budget assumption was 7 places)	£0.227
Aim to limit new Out of Area school placements to 5 places (but assumption was 7 places)	£0.220
Uplift IPS top-up ranges by 3% (budget assumption was 4%)	£0.022
Uplift ARP top-up ranges by 3% (budget assumption was 4%)	£0.012
Uplift Special School cost models by 3% (budget assumption was 6%)	£0.119
Total Proposals	£0.600

3. 2023/24 Block Funding

- 3.1 The original Hartlepool HNB allocation for 2023/24 was **£18.661m**.

3.2 The revised allocation following the annual import / export adjustment is **£18.544m**.

4. 2023/24 Outturn Projection

4.1 Based on spending to quarter 3, along with estimated expenditure for the remainder of the financial year, the projected outturn position for high needs ranges from £3.137m overspend best case to £3.632m overspend worse case. This is summarised by each area of spend in the table below.

4.2 The paragraphs that follow explain the main variances to budget based on the mid-case projection of £3.376m.

High Needs Expenditure 2023/24	Worse Case		Mid Case		Best Case	
	Projection £m	Variance Over/(under) Spend £m	Projection £m	Variance Over/(under) Spend £m	Projection £m	Variance Over/(under) Spend £m
ESFA recoupment – academy place funding	3.330	-	3.330	-	3.330	-
Place funding (LA)	0.805	-	0.805	-	0.805	-
Independent school fees	5.444	0.428	5.399	0.383	5.326	0.311
Out of Area top-ups	0.596	0.009	0.596	0.009	0.596	0.009
Top-up funding and support	8.745	0.678	8.652	0.585	8.617	0.550
Horizon School and AP	1.181	0.250	1.064	0.132	1.064	0.132
Post-16 top-ups	1.291	-	1.291	-	1.291	-
Support services	0.705	-	0.705	-	0.705	-
Borrowing Costs	0.078	0.003	0.078	0.003	0.078	0.003
Import / Export Adjustment		0.117		0.117		0.117
Approved budget shortfall		2.147		2.147		2.147
Total projection	22.175	3.632	21.919	3.376	21.812	3.268

4.3 Local authority place funding (on budget).

This budget head covers payment of place funding to ARPs within maintained schools. Outturn is expected to be in line with budget.

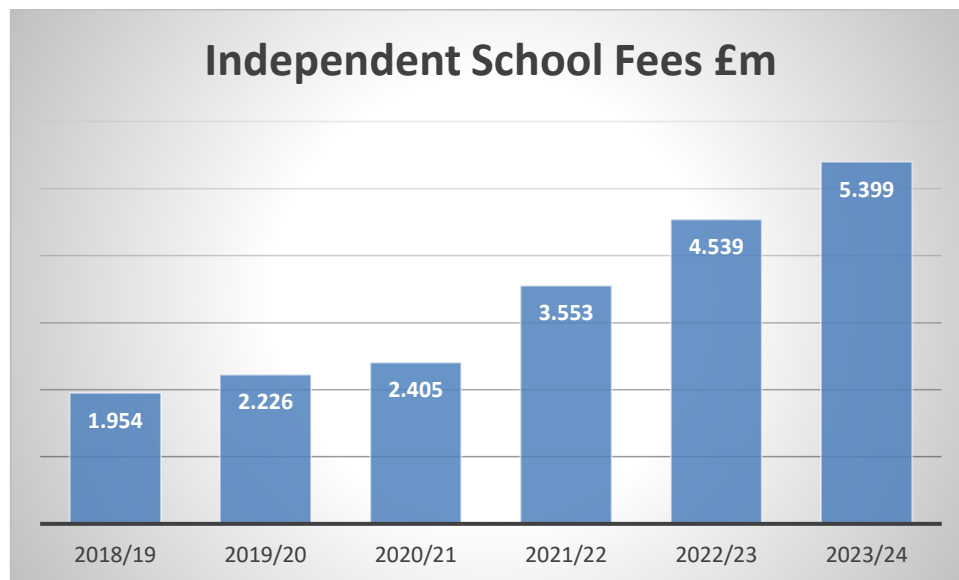
4.4 Independent school fees (£0.383m overspend)

The mid-case projected spend for independent school placements is £5.399m. This has increased from £4.942m since the last outturn projection. A summary of changes since the forecast presented to Forum on 21 September 2023 is shown in the following table.

2023/24 Forecast Expenditure 21 September 2023	£4.942m
16 new placements (previous forecast assumed 6 new)	£0.473m

1 placement transferred from Out of Area listing	£0.025m
Tuition costs (in addition to last estimate)	£0.032m
Cost variations from original estimates	£0.118m
5 Leavers (unplanned)	(£0.191m)
Updated 2023/24 Forecast Expenditure	£5.399m

Reasons for new placements include: children moving into area, lack of internal provision (Free School aiming to be open Sept 2024), increase in schools saying they cannot meet need, tribunal outcomes.



4.5 Out of authority top-ups (£0.009m overspend)

The mid-case projected spend for out of authority placements is unchanged from the last update.

Changes to out of authority provision in-year are unlikely as available places are scarce.

4.6 Exclusions, including Horizon School (£0.132m overspend after use of £0.099m school reserves)

The significant increase in permanent exclusions is incurring increased costs for both in-house and external Alternative Provision (AP). Schools' Forum are considering a separate report to agree mitigation at this same meeting.

4.7 Top-up funding and support (£0.585m overspend)

This budget heading includes funding for Individual Pupil Support (IPS) and funding for Special Schools and ARP top-ups.

Forecast expenditure has increased significantly since the last update, despite estimates for new agreements being included within the original forecast. Forecast expenditure has increased by £0.624m., New or renewed individual IPS agreements have been approved amounting to £0.189m. In addition, 9 new group funding agreements and 3 new exceptional funding agreements amounting to £0.536m have also been approved.

4.8 Post-16 top-up funding (on budget)

Budgets for post-16 education were increased in 2023/24 to reflect greater numbers of pupils with SEND remaining in education beyond secondary school.

4.9 Support Services (on budget)

The contribution from high needs to local authority support services is assumed at budget level.

4.10 Borrowing Costs (on budget)

This budget is for borrowing costs to fund part of the capital works needed to extend SEND provision within the town during 2021/22. Year 2 interest costs are expected at £0.078m, broadly in line with budget.

4.11 The approved budget shortfall of £2.147m is added to the outturn position as this represents unfunded expenditure included in the budget headings above.

5 DSG Balances Summary

5.1 There is now a negative reserve balance recorded against the High Needs Block of £0.426m. Should the mid-case projection of £3.376m included in this report materialise, there would be a total high needs block deficit reserve of £3.802m.

5.2 Forum are aware that although DSG reserves are historically earmarked to individual blocks (e.g. high needs block) for internal reporting purposes, ESFA consider DSG reserves as one overall balance in terms of accounting and reporting of deficits.

5.3 The current balance of total DSG reserves is £0.734m. Should the movement on reserves in 2023/24 be limited to the projected high needs block overspend and budget deficit, overall DSG reserves would move to a deficit position of £3.068m.

5.4 The budget being proposed for 2024/25, including the £0.600m savings being proposed by Officers will add an estimated £2.171m to this DSG Reserve deficit.

6. Recommendations

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

**Report to Hartlepool Schools' Forum 15 February 2024
From Amanda Whitehead (Assistant Director – Education)**

Item 6: Permanently Excluded Pupils (PEXs)

1. Introduction

- 1.1 The purpose of the report is to set out the current position and expected trajectory for Permanent Exclusions (PEXs). The report outlines the impact of the anticipated increase of PEXs on the Horizon School and Alternative Provision Budgets and subsequently on the High Needs Block.

2. Background

- 2.1 The local authority has a legal duty to provide all pupils who are permanently excluded with a full time appropriate education from day 6 of the exclusion¹. This has been provided via the Pupil Referral Unit, The Horizon School, and is funded through a combination of place funding, top up, additional grants and AWPU (Average Weighted Pupil Unit) Clawback.
- 2.2 All PEXs are managed by the Horizon School Executive Head Teacher, with a number of pupils placed in Alternative Provision (AP) where required. AP represents a more costly option than pupils placed in Horizon School.

3. Funding Available

- 3.1 The current income is based on 40 students² across Horizon School, including Haven, along with a budget of £0.042m for AP.
- 3.2 Funding available in 2023/24 for PEXs (both Horizon and Haven Schools and Alternative Provision) is shown in the following table.

Funding	Funding Source	Amount £m
Horizon Place Funding- 28 places	High Needs Block	0.280
Horizon top up - 28 places	High Needs Block	0.392
Haven Place funding- 12 places	High Needs Block	0.120
Haven top up- 12 places	High Needs Block	0.019
Additional Grants ³	Grant funded	0.167
Other Income	High Needs Block / External	0.026
Alternative Provision	High Needs Block	0.042
AWPU Clawback from Excluding Schools	Individual School Budgets	0.225
TOTAL		1.271

¹ ‘Suspension and Permanent Exclusion from maintained schools, academies and pupil referral units in England, including pupil movement- Guidance for maintained schools, academies, and pupil referral units in England’ Department for Education, September 2023

² 28 Horizon students and 12 Haven students

³ Teacher’s Pay Grant, Teacher’s Pension Grant, Teacher’s Pay Additional Grant, Supplementary Grant, AP Additional Grant, Connect The Classroom Grant, Pupil Premium and Recovery Funding

- 3.3 Schools Forum previously agreed the funding from the High Needs block for 28 places within Horizon and 12 places within Haven at the following funding rates:

Horizon Place Funding	£10,000
Horizon top up	£14,000
Haven Place Funding	£10,000
Haven top up	£1,600

4. Permanent Exclusions – Current Position

- 4.1 The numbers of permanent exclusions have risen significantly in recent years.

Academic Year	In-Year PEXs	Fair Access / Reintegrated
2020-21	5	2
2021-22	19	6
2022-23	37	8
2023-24 ⁴	27 Estimated total for year: 63	0

- 4.2 The table shows that if the rate of exclusions continues at the current volumes there will be a total of **63** children permanently excluded this academic year.
- 4.3 Over the last 4 academic years an average of 3 children have returned to mainstream school following permanent exclusion via Fair Access Protocol.
- 4.4 There are currently **67** students on Horizon/ Haven roll.
- 4.5 The following trajectory utilises the current rate of exclusions/ in year less fair access to estimate numbers on roll in future years.

Academic Year		
2023-24	Actual total on roll 18.01.2023	67
	Return under In year Fair Access ⁵	4
	Additional PEx	34
2024-25	Estimated Total on roll	97
	Return under In year Fair Access	4
	PEx	63
2025-26	Estimated Total on roll	156
	Return under In year Fair Access	4
	PEx	63
2026-27	Estimated Total on roll	215

⁴ To date of writing report (18 academic weeks)

⁵ Average over 4 years

4.6 Thus, if current exclusion rates continue there will be **215** pupils on roll of Horizon by September 2026. This does not take into account any rise in the rate of permanent exclusions.

5. Funding Gap – Current Position

5.1 The impact of rising PEX volumes is seen in the significant overspend against the current year's budget. As the current funding arrangement and capacity for Horizon School is based on 28 pupils, this has led to an additional requirement for more costly alternative provision, along with increased staffing costs within Horizon School.

5.2 The increase in permanent exclusions has placed significant pressure on accommodation to meet the needs of the children and young people. Officers are currently reviewing the situation and looking at potential feasibility studies in order to increase accommodation.

5.3 The current year's budget (2023/24) is forecast as being **£0.239m** overspent. This has been offset by an underspend in the previous financial year (school reserve balances) to reduce the overspend to £0.140m, however this funding is not available moving forward.

5.4 Horizon School and Alternative Provision is funded via the High Needs Block and this overspend will add to the High Needs Block deficit in 2023/24.

5.5 Schools Forum are engaged with the work underway as part of the High Needs Block review to reduce the High Needs Block deficit. The increase in PEXs and associated pressure on the High Needs Block has the potential to wipe out any savings identified arising from the review, therefore reducing the budget available to support children with special educational needs.

6. Future Funding Gap - Considerations

6.1 A spending pressure of £0.239m is already forecast for 2023/24. Therefore, the current budget for Horizon and AP does not cover the required provision for the significant increase in permanent exclusions.

6.2 Should the trajectory shown at table 4.5 of this report materialise, the current spending pressure could potentially quadruple. Therefore, Schools' Forum are asked to urgently consider the position and identify solutions to manage the volume of PEXs.

6.3 The High Needs Block is primarily for children with special educational needs and the overspend in Horizon and AP means that there is less funding available to support these children. This is when the needs of our children are increasing.

6.4 Officers are required to present a 2024/25 budget to committee to the start of the financial year. The local authority is not prepared to fund an ongoing increase in PEXs. Therefore if PEXs do not reduce the local authority will request for 2025/26 a Schools Block transfer to the HNB. The responsibility of permanently excluded children lies with the school therefore they need to take responsibility for the funding of the provision they need. Especially as reintegration back into mainstream is so low.

- 6.5 At this point officers are proposing a funding increase of £0.250m is approved for Horizon School and AP to cover the current cost of the children within the provision. This budget does not allow for any further increases to PEX's.

7. **Recommendations**

7.1 Forum is asked to:

- Consider ways to limit future PEX volumes;
- Note that the Local Authority will have no option but to consider a transfer from Schools Block to High Needs Block in 2025/26;
- Approve the additional £250m funding for Horizon and AP.

Report to Schools' Forum (15 February 2024)
From Amanda Whitehead – Assistant Director, Education

Item 7: Statutory Accounts Closure Process 2023/24

1. Introduction

- 1.1 This report provides an update on the statutory deadline for local authorities' statutory accounts for 2023/24 with particular reference to the date Easter falls in 2024. Easter Monday is on 1 April 2024.

2. Deadline For 2023/24 Closure of Accounts

- 2.1 The Accounts and Audit Regulations 2015 came into force on 1 April 2015. The regulations require local authorities in England and Wales to produce their statutory accounts by 31 May 2024.

3. What this means?

- 3.1 The local authority has a statutory duty to ensure maintained school accounts are incorporated into its accounts. To provide sufficient time to carry out this work, the school accounts will need to be closed during the first week of April.
- 3.2 To ensure the statutory deadlines are adhered to we need to make the necessary arrangements to ensure systems are made available for local authority finance staff to complete the preliminary close visit. The visit can be made in person by finance staff, or remotely. Remote visits can be performed using connections across the Council network, where this is feasible. Remote visits can also be carried out over the telephone with an appropriate member of school administration.
- 3.3 All visits will need to take place between Tuesday 2 April 2024 and Friday 5 April 2024. Visits will be booked in advance to minimise any disruption, the visit typically takes one hour to complete.
- 3.4 Council finance staff will contact individual school administrators following Schools Forum to organise visits.

4. Recommendations

- 4.1 Schools' Forum is asked to:
- a) note the contents of this report;
 - b) ensure that the head teachers (maintained schools only) they represent are aware that adequate staff cover is required for each school (or via a remote connection to school systems) to support the closure of accounts over Easter 2024.