SCHOOLS' FORUM

Tuesday 14 October 2025 – 10 am

Conference Hall,
Centre for Excellence in Teaching and Learning,
Brierton Lane

A G E N D A

1.	Apologies	*Chair*
2.	Minutes from Schools' Forum meeting on 16 September 2025 and Matters Arising	*Chair*
3.	SEND Cluster Model (*for information*)	*Fiona Stobbs*
4.	Special School Cost Model Update and Proposals AY 2025-26 (*for review*)	*Amanda Whitehead*
5.	Permanently Excluded Pupils (PEXs) (*Standing Item*)	*Emma Rutherford*
6.	Date and Time of Next Forum Meeting – Tuesday 25 November, 10 am at the CETL	

(I) = Information (D) = Decision Required (R) = Report (V) - Verbal

Schools' Forum Meeting

16th September 2025

Attendees:

Members

Mark Tilling (MT) (Maintained Secondary) (Chair)
Tim Blades (TB) (Maintained Governors)
Phil Pritchard (PP) (Academy Primary)
Andy Rogers (AR) (Academy Secondary)
Zoe Westley (ZW) Academy Special)
Vicki Wilson (VW) (Diocese C of E)
David Turner (DT) (Maintained Primary)
David Leane (DL) (Diocese RC)
Nicola Dunn (ND) (Academy Primary)
Sue Sharpe (SS) (Academy Primary)
Caroline Reed (CR) (Academy Primary)
Leanne Yates (LY) (Academy Primary)
Jo Wilson (JW) (Academy Primary)

Local Authority Officers

Sandra Shears (SSh) (Children's Finance)
Fiona Stobbs (FS) (Inclusive Learning and SEND)
Claire Mcpartlin (CM) (Administrator)
Jane Watt (JWa) (Children's Finance)

Agenda Item		Action
1	**Apologies -** Amanda Whitehead (HBC – Assistant Director (Education)) Emma Rutherford (Horizon) Linda Richardson (Early Years PVI) Lee Walker (Academy Primary)	
2	**Minutes of the Schools' Forum on 3 March 2025, 17 June 2025 – Matters Arising and Schools' Capital Sub-Group and Matters Arising** The minutes of Schools' Forum on 3 March 2025 were approved with no matters arising. The minutes of Schools' Forum on 17 June 2025 were approved. SSh advised a meeting is arranged to discuss principles arising from Year 3 of the Special School Cost Model Arrangement. The minutes of Schools' Capital Sub-Group were noted.	
3	**Statutory Duties 2026/27** The Local Authority provided statutory duties for both maintained schools and academies, SSh provided an overview of the report.	

	The Local Authority proposed a rate of £60 per pupil from all maintained schools, this rate remained unchanged since 2017/18. Details of services funded by this was attached at Appendix 1. Should the proposal be rejected, the Local Authority would ask the Secretary of State for approval to disapply the regulations. **Decision** MT explained that maintained schools had met to discuss whether to reject the request for the tenth year in succession. Maintained schools concluded that they would vote to approve the request on the basis that the Local Authority did not increase the charge of £60 per pupil in future years. DT re-iterated the value of Local Authority services provided to maintained schools. Only maintained schools were able to vote in this regard, and all voted in favour. Recommendation approved.	
4	**Schools and Central School Services Block Budgets 2026/27** The report outlined the key decisions required from Schools' Forum in relation to the 2026/27 Schools' Block and Central School Services Block (CSSB) once funding is confirmed at the end of autumn. Agreement in principle at this meeting would allow for modelling to commence prior to Christmas. Schools' Forum had agreed to transfer 0.5% of School's Block funding to the High Needs Block in 2025/26 to support financial pressures, this equated to funding of £0.436m. The Dedicated Schools Grant (DSG) Management Plan assumed the 0.5% transfer from Schools' Block for 2026/27. Schools' Forum had agreed to transfer residual funding, after meeting the budget requirement, from the CSSB in 2025/25 (£0.080m) to the HNB. Schools' Forum were asked to approve the same transfer for any residual funding in 2026/27. Schools' Forum members were asked to approve historic and ongoing commitments as set out in the report and in addition, the transfer of 0.5% from Schools' Block for 2026/27. Following questions from members the below points of clarification were noted: • The Dedicated Schools Grant (DSG) Management Plan had been agreed in October 2024. • The High Needs Block projected approximately £10m deficit by the end of the financial year. The DfE had reviewed the national position, and the DSG deficit stands at £3.2b overspent this was due to increase by £5b in 2025/26.	

	Decision All Schools' Forum members were eligible to vote on the recommendations as outlined within the report. Members voted in favour unanimously for the following recommendations: • Approve the budget requirement for 2026/27 historic commitments (including Brierton Pension costs and Licences). Amounts stated at paragraph 5.4 of the report. • Approve the budget requirement for 2026/27 ongoing commitments (including Admissions Service, Copyright Licences, Schools Forum Support and Statutory Services Retained Duties. Amounts stated at paragraph 5.5 of the report. Members voted as below for the remaining recommendations in the report. The recommendation to approve the 0.5% transfer to the High Needs Block in 2026/27 was not explicit in the report, however Forum agreed this could be voted on at the meeting. • To approve 0.5% transfer to High Needs Block in 2026/27 – 3 abstentions and 10 in favour – approved. • To approve transfer of residual CSSB funding to the High Needs Block in 2026/27 – 3 abstentions and 10 in favour - approved • To approve historic commitment to licenses – 4 abstentions and 9 in favour – approved.	
5	**Growth Fund Disbursement 2025/26** The report updated Schools' Forum on Growth Fund Disbursement. A Working Group had been established in 2024/25 which revised the Growth Fund Disbursement policy which aimed to address in-year pupil growth. The policy was agreed by Schools' Forum in September 2024 and was attached at Appendix 1. The policy ensured any school would be eligible for a Growth Fund Disbursement if pupil growth had exceeded 15 between the October census point and subsequent census points. During the 2024/25 financial year 5 schools were eligible for funding which totalled £104,674. Following a number of questions from members, JWa provided the below clarifications: • If not spent the Growth Fund Disbursement funding would become part of the Schools' Block and taken to offset the DSG deficit. • Schools are eligible for funding purely based on class numbers not on the needs of individual children within the class. Schools continue to have access to the High Needs Block funding if children came with a level of appropriate need.	

	• Schools experience a high level of mobility however that did not necessarily impact on numbers. SS thanked Schools Forum' for their contribution in establishing the new growth policy. Although the funding did not fully compensate schools for educating new pupils in-year, it certainly helps towards this funding gap. **Decision** That the report be noted.	
6	**High Needs Block Projected Outturn 2025/26** Members were given details of the High Needs Block projected outturn for 2025/26. In 2024/25 the final position had been a year end overspend of £3.343m. The allocation for 2025/26 was confirmed at £21,575m. £3,976m of this is recouped by the ESFA to pay place funding direct to academies. Based on Quarter 1 spending, the outturn was projected as being on best case scenario an overspend of £4,982m and worst-case scenario an overspend of £5,793m. The potential overspend was primarily owing to IPS and ARP top-ups, exclusions including Horizon School and top-up funding and support. MT thanked Forum for their work in trying to reduce costs, a plateau on independent fees was a positive step forward. It was noted that some figures in the table within the report were incorrect, JWa to amend. **Decision** That the report be noted.	**JWa**
7	**SEND and Inclusion Sustainability** The report proposed additional funding which would allow the Local Authority to continue the work of the Hartlepool Inclusion Team following the end of the SEND AP Change Programme in March 2026. The Inclusion Service was offered free to all schools from April 2025 until March 2026. The team included 3 Senior Specialist Teachers and 3 Education Officers. They worked in partnership with settings and schools around 5 key strands of work including inclusive provision in practice and enhancing inclusion through creativity and innovation. There had been money allocated to a SEMH Pot by Schools' Forum which to date had totalled £651,251. It was proposed that the money be allocated to create a sustainable model for the Inclusion Team. The full costs of the model were outlined at point 6.2 within the report.	

	A discussion took place around the SEMH Pot money and the impact of the Hartlepool Inclusion Team. Concern was raised around how the team would be funded once this money had stopped, particularly in the context of the DSG deficit. **Decision** Schools' Forum were asked to approve the ongoing Hartlepool Inclusion Team model up to 31 August 2028. All Schools' Forum members were eligible to vote on the recommendations as outlined within the report. • In favour – 9 members. • Abstentions – 4 members. Recommendations approved. Forum will be fully updated should alternative funding be made available in the upcoming SEND White Paper.	
8	**Permanently Excluded Pupils (PEX) – Standing Item** There are currently 93 pupils on roll at Horizon. Permanently Excluded Pupils had reduced from 66 to 46 in the last school year. Two additional ARPs had been commissioned with 12 places each. It was queried why criteria had not been met for the free school for additional places. FS advised every school had been consulted however were unable to provide provision. Additional sites had opened at Haven and Greenbank. MT requested numbers on roll at the Free School for each year group.	**FS**
9	**Kingsley Update** It was reported Kingsley Primary School had issues with space due to the number of SEN children on role. Owing to this, 2 temporary classrooms had been created on the playing field for the Year 6 children and the SEN children moved into the main building. A SEN consultant had been commissioned, who visited the school and advised a specification of what would be required. A tender went out in August 2025 and would be reported at Children's Services Committee on 23 September 2025 to outline the contractor and proposed bespoke accommodation for children with SEN as Kingsley Primary. **Decision** That the update be noted.	
10	**Capital Sub-Group Membership**	

	Two vacancies for the Capital Sub-Group Membership – Academy Headteacher Secondary and Diocese CoE. **Decision** DL volunteered for Diocese CoE rep. AR volunteered for Academy Headteacher Secondary rep.	
11	**Any Other Business** FS advised that a specific element of the SEND AP Change Programme funding needed to be spent by 31 March 2026. It was proposed that the remaining funding would be allocated into 5 Workforce Development Clusters and spent on CPD around Inclusion. It was agreed for FS to contact each Cluster Lead to discuss.	**FS**
12	**Date and Time of Next Forum Meeting** Tuesday 14 October, 10:00 am, CETL	

OUTSTANDING ACTIONS LOG

Meeting	Description	Owner
15/10/24	Meeting to discuss principles arising from year 1 and 2 of the Special School Cost Model Arrangement Initial meeting has taken place and a Memo of Understanding has been drafted and circulated. Follow up meeting to be scheduled.	AW / JWa / SSh
16/09/25	High Needs Block Projected Outturn 2025/16 – It was noted that some figures in the table within the report were incorrect, JW to amend.	JW
16/09/25	Permanently Excluded Pupils (PEX) – MT requested numbers on roll at the Free School for each year group.	FS
16/09/25	FS advised the SEND AP Change Programme funding needed to be spent by 31 March 2026. It was proposed that the remaining funding would be allocated into 5 Workforce Development Clusters and spent on CPD around Inclusion. It was agreed for FS to contact each Cluster Lead to discuss.	FS

Financial Year 2024/25: Children's Services Committee – Log of Schools' Forum Recommendations and Committee Decisions

Last Updated: 6 December 2024

Committee Date	Report	Recommendation and Decision Details
19/11/24	Dedicated Schools Grant (Former Education Services Grant rate per pupil) – Disapplication Request	The Committee: a) Agreed the 2025/26 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 2025/26. c) Noted this will be the ninth consecutive year the local authority has applied for disapplication and that the previous eight applications have been successful.
04/02/2025	DEDICATED SCHOOLS GRANT – SCHOOL BUDGET SHARES 2025/26 AND CENTRAL SCHOOL SERVICES BLOCK 2025/26	The Committee: a) Noted the contents of this report; b) Noted the agreement by Schools' Forum to centrally retain funding of £0.595m, updated to £0.608m to reflect the increased copyright licence cost; c) Noted the agreement by Schools' Forum to transfer 0.5% of schools block funding (£0.436m) to the High Needs Block; d) Agreed the MFG to be used for 2025/26 and noted the recommendation from Schools' Forum of applying an MFG of 0.0%, alongside an appropriate cap which has been calculated at 0.38%; e) Approved the School Budget Share for 2025/26;

		f) Noted the agreement by Schools' Forum to transfer the residual funding from the Central School Services Block to the High Needs Block (£0.080m).

Report to Hartlepool Schools' Forum 14 October 2025
From Fiona Stobbs (Senior Advisor Inclusive Learning & SEND)

Item 3: SEND Cluster Model

1. Introduction

1.1 The purpose of the report is to provide an update to Schools Forum regarding the SEND Cluster model.

2. Background

2.1 In 2022/2023, a review of the High Needs Block (HNB) was carried out by independent consultant, Peter Gray. This then led to the implementation of the SEND Cluster Model.

2.2 Since January 2024, the SEND Clusters have all started to work together. They all meet on a half termly basis, to seek support from each other. This includes sharing of good practice, as well as providing the forum where funding requests from the HNB are reviewed, prior to submitting into the Town-wide Seeking Support panel.

2.3 The process has been developed over time and we have taken a staged approach to the implementation.

2.4 In previous School Forums and HNB working parties, we discussed the concept of a 'Cluster lead' however at the time it was deemed appropriate to not have this role whilst the clusters initiated. As of September 2025, we now have 2 x SENDCO's in each cluster to take on the role of leading quality assurance and moderation of funding requests within the cluster meetings. A training session for this took place on 29th Sept 2025. The intention of this role is to provide robust challenge and scrutiny to funding requests, ensuring consistency across the clusters.

3. Update

3.1 As we are now 18 months into the process, we have asked Peter Gray to return to Hartlepool to review the cluster model and provide an independent view of advice and guidance for next steps.

3.2 Peter will provide an update to Schools' Forum on his findings. Peter's report is attached at appendix A.

4. Next steps

4.1 Quality assurance and moderation role across each cluster. A local authority officer will be assigned to each cluster to provide additional support.

4.2 Secondary colleagues to form a secondary network, however, will join the primary clusters to create cross phased clusters (this had been the original plan).

4.3 Funding sheets to be provided to cluster quality assurance and moderation SENDCo's to allow for enhanced discussion, support, challenge and transparency. These funding sheets are currently anonymised, but Schools Forum are asked to determine whether we can share these openly.

Cluster Summary	FY2025/26 Forecast of Funding				
	Committed 2025/26	Summer Term Actual	Autumn Term Estimate	Spring Term Estimate	Prior Year Spend
	£	£	£	£	£
Individual Agreements - IPS	87,693	36,539	29,231	21,923	97,122
Group Funded Arrangements	75,639	31,516	25,213	18,910	65,000
	163,332	**68,055**	**54,444**	**40,833**	**162,122**
Individual Agreements - EHCP	72,099	30,041	24,033	18,025	70,200
Exceptional Agreements	88,157	36,732	29,386	22,039	59,000
Notional SEN	843,051				812,000
	1,003,307	**66,773**	**53,419**	**40,064**	**941,200**
Total Funding	**1,166,639**	**134,828**	**107,863**	**80,897**	**1,103,322**

By School	Notional SEN	IPS	Group Funded	EHCP	Exceptional	TOTAL
School A	£90,259	£12,851	12,892	£19,924	£12,664	£148,590
School B	£192,747	£12,684		£7,375		£212,805
School C	£384,470	£49,234	33,413	£32,492	£75,493	£575,102
School D	£175,575	£12,925	29,333	£12,309		£230,142
TOTAL	**£843,051**	**£87,693**	**£75,639**	**£72,099**	**£88,157**	**£1,166,639**

By School	No on Roll	IPS Count	Group Funded Count	EHCP Count	Exceptional Count	TOTAL Count
School A	93	5	6	6	0	17
School B	397	7	0	1	0	8
School C	391	24	7	11	0	42
School D	161	14	21	8	0	43
TOTAL	**1,042**	**50**	**34**	**26**	**0**	**110**

4.4 Local Authority to consider how the Local Inclusion Support Offer can be implemented into the cluster model to support SENDCo's

5. Considerations for further developments

5.1 Some cluster models across the country have set budgets for their clusters. This is not something we currently do.

6. Recommendations

6.1 Forum is asked to review 4.3 and agree for cluster funding sheets to be shared, without anonymised information (at this summary level only). Please note that names of individual children will not be shared.

6.2 Forum is asked to consider the concept of cluster budget setting (5.1)

Please note: All Forum Members are asked to note the contents of the report.

Appendix A:

REVIEW OF HARTLEPOOL'S CLUSTER APPROACH TO FUNDING SEND IN MAINSTREAM SCHOOLS

Peter Gray: Senior Consultant: SSCYP

1. BACKGROUND

1.1 Following an external review of Hartlepool's previous mainstream SEND funding system in 2022, the decision was taken to move to a different model which involved schools working together to target resources through clusters. This is an approach that has elicited increasing interest from local authorities across the country and which is associated with significant cultural change.

1.2 The previous system involved two routes for accessing additional funding: through the EHCNA[1] process and through 'individual pupil support' (IPS). Referrals could be made to a town-wide panel without the need for a statutory assessment. Although this provided some scope for earlier and more dynamic intervention, there was evidence of varying thresholds for referral and inequity in resourcing. While a small number of SENDCos were involved in the panel process, there were relatively limited opportunities for peer moderation, support and challenge. There was also little indication that IPS allocations were having an impact on the number of EHCNA requests, with numbers in both systems continuing to rise.

1.3 Working together in clusters was seen as a way of achieving greater consistency in decisions and more substantial opportunities for improving the quality of ordinarily available provision.

1.4 The initial development of the cluster approach in Hartlepool was undertaken by a working group of head teachers and LA officers, with external support from the current author. The model was presented to head teachers from across the town who were generally positive. However, low attendance at the meeting and the departure of key officers who had been involved in the working group meant that a relaunch of the proposal was necessary to secure broader commitment from the school community.

1.5 It was determined that 4 primary school clusters would be established on a locality basis (North, South, Central 1 and Central 2) with a separate cluster for secondary schools (which also included representatives from alternative and specialist provision and from Hartlepool FE College). Schools were represented at cluster meetings by their SENDCos. The size of clusters at the primary phase was limited to a maximum of 8-10 schools.

1.6 The role of clusters was to provide initial moderation of school requests for support and funding, with decisions still being made at a town-wide level through an expanded 'Seeking Support' panel attended by officers and cluster representatives.

1.7 As with the previous IPS panel, allocations were made for finite periods with a requirement for schools to provide a written review for funding to continue. EHCN

[1] Education, Health and Care Needs Assessment

assessments could still be requested but there was an expectation that, increasingly, support would be accessed through the cluster system.

2. REVIEW APPROACH

2.1 The review included the following activities:

(i) Interviews with key senior officers and head teachers who were involved in the original working group
(ii) Interview with members of the LA Inclusion Team (support service)
(iii) Interview with members of the original IPS panel who are still involved in the new arrangements
(iv) Meeting with SENDCos from North cluster
(v) Meeting with members of the secondary cluster
(vi) Meeting with Schools Finance officers
(vii) Meeting with SENDIAS rep (for parent perspectives)
(viii) Review of relevant documents, pupil data and financial information
(ix) Review of sample of Seeking Support paperwork (anonymised)
(x) Attendance at meeting with cluster representatives and officers to consider proposed system developments and receive input from another LA operating the cluster model (Kirklees)

2.2 All meetings and interviews were face to face.

3. FINDINGS 1: KEY POSITIVES

System leadership

3.1 System change of this magnitude is complex and demanding. The Authority has done well to address initial concerns and find a positive way forward. School leaders and SENDCos have also done much to help shape the system and how it works in practice.

3.2 The system has become more embedded with a high level of engagement from schools.

Cluster development

3.3 Relationships within and between clusters are generally developing well, leading to greater trust and awareness of contextual differences. Discussions are moving on from individual pupil funding requests to a broader focus on positive practice and mutual support. SENDCos are demonstrating an increasing commitment to meeting needs across the cluster rather than just in their own individual school.

3.4 A number of further developments are being discussed including an enhanced role for nominated SENDCos in cluster moderation/evaluation[2], better access to pupil data and financial information, and involvement of members of the Inclusion Team in supporting the cluster process and strengthening links with the SEND casework function.

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[2] It is planned that representatives from each cluster will meet with officers on a regular basis to evaluate the system in practice and address any ongoing issues

Greater flexibility in funding allocations

3.5 The move to the cluster system has also been accompanied by more flexible funding options, for example for school/group provision rather than just requesting support for individuals. Decisions on this type of allocation are currently being made by lead officers, although they are validated at panel level.

3.6 There is also greater flexibility around funding periods.

Greater confidence in using the cluster route for the majority of funding requests

3.7 Schools reported that clusters are now generally the ‘first port of call’ for additional funding requests. Where EHCNA requests are submitted, these tend to be for the following reasons:

- (i) Registering that a child may need a change of placement (now or in the future)
- (ii) Identifying that a child may have long-term needs (in terms of access to other services/potential move of school/authority)
- (iii) A desire to support positive transitions (particularly between primary and secondary)

3.8 Parents are reported to have had positive experience of the new system, with the key consideration being that their child’s needs are being met and there is positive communication between home and school.

3.9 Hartlepool has already had experience of ‘non-statutory’ funding through the previous IPS system so schools and parents may be less concerned about ‘loss of entitlement than in some other parts of the country. However, there was some evidence that other agencies may still need further understanding of the local context (and that EHCPs are not a requirement for mainstream funding access).

Links between SEND, School Improvement and Finance

3.10 Hartlepool is a small Authority and links between relevant services are probably easier to achieve than in larger, more complex organisations. However, with the SEND improvement adviser playing a key role in the initiative and mutually supportive relationships with SEND and Schools Finance, there are greater opportunities for a coordinated strategy across all key aspects.

4. FINDINGS 2: KEY ISSUES

Decision-making

4.1 Hartlepool differs from most other Authorities that have adopted the cluster model in having a two-tier approach to decision-making. Clusters only have a moderating role with final decisions still made by a town-wide panel. While this helps to ensure greater consistency between clusters, there are some downsides:

(i) Some clusters may be less motivated to challenge requests if they know they don't make the final decision, leading to a larger (and less manageable[3]) number going through for panel consideration.
(ii) There can be less ownership of the system as SENDCos only have a partial role
(iii) Clusters have less freedom and flexibility to determine their own local priorities

Cluster leadership

4.2 Some clusters work particularly well together, adopting a democratic style of leadership, rotating meeting venues and representation at the town-wide panel. Others may require leadership to be more defined. The move towards 'cluster moderator' roles should provide a better opportunity for sharing good practice and build greater confidence in the system across all areas of the Borough.

4.3 Expectations of these roles will need to be kept under review to ensure that system demands do not exceed available capacity. On the other hand, it will be important to ensure that all school leaders (including MAT CEOs) fully understand the strategic significance of the new system and its potential, so that all SENDCos can play a full part in developments.

External involvement

4.4 Clusters currently have no external involvement (beyond the schools themselves). While it may be important initially for the system to be 'school-owned', there are some missed opportunities. Other LAs adopting this approach have found that it can be useful for clusters to have:

(i) 'Critical friends' – to support the process and help address any unhelpful dynamics (eg schools pushing too hard for their own requests against others)
(ii) Links to SEND casework – for example where parents/carers are pursuing statutory assessment routes
(iii) Access to a 'team around the cluster' – eg through alignment of services such as Educational Psychology and Speech & Language Therapy to cluster areas.

4.5 Plans are already in hand to move in this direction through involvement of the Inclusion Support officers at cluster meetings.

Cross-phase or single-phase clusters

4.6 Most other LAs operating this kind of model have gone for cross-phase (primary and secondary) clusters, with some now extending to include representation from early years settings as well. The argument for this is that it supports phase transitions with pupils with high needs being 'known' for a period time before school transfer.

4.7 Hartlepool clusters are single phase, on the basis that there is no longer a strong catchment relationship between primary and secondary schools. This is also the case in other densely populated urban areas. However, secondary schools are typically allocated to primary localities on a 'best fit' basis. This ensures that clusters benefit from different phase perspectives.

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[3] 57 requests needed to be considered at the last Seeking Support meeting

4.8 A significant proportion of new EHCN assessment requests are being generated during the lead up to secondary transfer, due to parental or school concerns about whether needs will be met at this phase. This suggests that Hartlepool would benefit from adopting a cross-phase model.

4.9 The existing secondary grouping could be maintained as an ongoing network as it has a number of other functions (sharing good practice across schools and with the specialist/alternative provision sector and strengthening links with post 16/mainstream FE providers).

Group/school allocations:

4.10 The new system has supported requests for funding and support beyond the individual pupil level. While this is a positive step, clearer criteria are needed for this form of resource allocation, particularly as some schools appear to be requesting funding to compensate for reductions in existing staffing.

4.11 A clearer distinction needs to be made between *school allocations*, which could be part-funded or 'pump-primed' with a view to becoming a core part of a school's own provision and *group allocations* where funding is provided for identified pupils with exceptional needs in a more cost-efficient way.

Financial sustainability

4.12 A significant amount of additional funding has been invested in the cluster system since its inception. The overall spend on additional funding and support for mainstream schools (including EHCPs) has risen from £2.3m in 2022/23 to £3.2m in the last financial year. A significant proportion of this increase relates to group/school allocations[4].

4.13 This level of growth is only sustainable if there is a corresponding reduction in spend on other types of provision. However, while spend on placements in independent/non-maintained special schools is stabilising, numbers in/spend on other forms of provision (ARPs, state-maintained special schools and AP) are continuing to rise.

4.14 The budget for additional funding in mainstream is currently open-ended. Other Authorities that have adopted this model are moving to more defined budgets, not just for clusters but also for any funding that is centrally retained. This strengthens motivation to use funding efficiently and ensure better value for money.

Strategic impact

4.15 There is clear evidence from this review of cultural change and a move towards more collective responsibility to meet needs in a more financially sustainable way. However, while the new system has been designed to provide support and funding to mainstream schools more flexibly, as an alternative to the more traditional EHCP system, this has not yet had a significant impact on the number of statutory assessment requests. Table 1 below shows that the trend continues to be upwards, although there may be some stabilisation this year (compared to the level of increase in 23/24).

[4] Spend on these has risen from £356k to £919k over the 22/23 to 24/25 period. The increase for individual support is more modest (£1.59m to £1.78m)

Table 1: EHCN assessment requests received each year/quarter (2018 – 2025)

New Requests Received

Year	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total
2018	33	29	16	35	**113**
2019	42	34	17	49	**142**
2020	38	39	21	60	**158**
2021	52	53	36	45	**186**
2022	54	61	32	58	**205**
2023	63	54	25	62	**204**
2024	63	78	29	89	**259**
2025	72	74	29		**175**

4.16 This may relate to the fact that the system has only been in operation over a short period of time, with some schools still choosing to follow the more traditional route to accessing additional funding while others are more confident in using the new system. On the other hand, it may reflect that statutory assessments are being used for other purposes.

4.17 Better data is needed to understand what is happening and provide a clearer picture of school context. It is particularly important to ensure that funding received through both systems is equitable and that there is transparency when clusters are making decisions.

4.18 If a significant proportion of new requests are being made during the period leading up to primary/secondary transition, then this should be a major strategic priority for cluster activity, so that there can be greater confidence that needs can/will be met at the secondary phase[5].

5. RECOMMENDATIONS

5.1 There a number of positive aspects of the new system with strong commitment across the Authority and its schools to meeting needs and enhancing the quality of the mainstream offer. Steps are already in hand to address some of the issues highlighted by this review. Specific recommendations are as follows:

1) Further consideration should be given to the devolution of budgets to clusters so that they can make their own funding decisions at locality level.
2) As a first step, clusters should receive clearer information on current spend, broken down by school and including both IPS and EHCP funding allocations
3) The Authority should build on the new 'cluster moderator' role to help improve communication and school ownership and extend good practice across the system
4) Further discussions on the rationale and progress of the system may be needed with head teachers and MAT CEOs to help ensure increased understanding and support for the system at leadership level.
5) The Authority should pursue the proposed cluster link role for the Inclusion Support Team and move towards greater alignment of other services (eg EPS, speech and language therapy and early intervention) to locality areas.

[5] For example, through enhanced transition programmes and/or improved pathways for lower attainers

6) Consideration should be given to cross-phase clusters, using a ‘best fit’ approach, with the existing secondary group being maintained as a broader provider network (as current).
7) The Authority should establish clearer criteria for group and school funding allocations to ensure consistency/equity and greater financial sustainability.
8) Clearer budgets should be set for both cluster and town-wide resourcing.
9) Clusters should have greater access to data on current spend across partner schools so that their judgements can be better informed by contextual information (including delegated funding/notional SEND budgets and EHCP resourcing).
10) Priority should be given to supporting the development of improved pathways for pupils with high needs from primary through to the secondary school phase, so that there is greater confidence that needs can be met in all settings.

Report to Hartlepool Schools' Forum 14 October 2025
From Amanda Whitehead (Assistant Director – Education)

Item 4 Special School Cost Model Update and Proposals AY 2025-26

1. Introduction

1.1 The purpose of the report is to present proposals for the funding of Springwell and Catcote special schools from September 2025.

1.2 The report also provides information on the financial outcome of year's 1 and 2 of the cost model (AY2023-24 and AY2024-25).

2. Background

2.1 Since September 2023, Springwell and Catcote special schools have been funded based on a cost model. Each school estimates the cost of operating their provision for the academic year after receipt of place funding at £10k per place from DfE (94 places Springwell and 180 places Catcote).

2.2 The planned cost of operating each school, after place funding, is provided at expense head level detail for review by Council Officers.

2.3 A Memorandum of Understanding (MoU) underpins special school cost arrangements. The annual timetable that covers the process is extracted from the MoU and shown at appendix A.

3. Cost Models AY2023-24 – Financial Outcome (Impact on High Needs Block)

3.1 A "true-up" exercise is completed to look back at the actual costs of operating each school in the completed academic year. Operating costs and income are classified into 3 categories:

- Primary assumptions (covering pay changes, government grant, exceptional inflation, HBC buybacks) – the local authority funds any overspending or clawbacks any underspend at true-up.
- Non-controllable costs and income - the local authority funds any overspending or clawbacks any underspend at true-up.
- Controllable costs and income – the school funds any overspending or can request retention of any underspending for a specific purpose.

3.2 This section outlines the true-up position for year 1 (AY2023-24).

3.3 The true-up for **Springwell school** was concluded on 23 June 2025. The overall underspend against the cost model was £0.099m. Of this, £0.065m related to primary assumptions – this amount has been recovered from the school and credits the High Needs Block in the current year. The Head Teacher applied to retain the remaining £0.034m underspend against controllable spend. The application was agreed with associated conditions.

3.4 Sign off for the final true-up position for **Catcote School** is nearing completion. The draft position shows an overall underspend against the original cost model by £0.137m. Of this, £0.053m relates to savings against primary assumptions and £0.084m savings against controllable spend.

3.5 Should the school successfully apply to retain the £0.084m savings, there would be a credit of £0.053m to the High Needs Block in the current year. Across both schools, this would result in a clawback of £0.118m to the High Needs Block relating to AY2023-24.

4. Cost Models AY2024-25 – Indicative Financial Outcome (Impact on High Needs Block)

4.1 Both schools provided their in-year projections of spend against the AY2024-25 cost model. Projections will be updated with actual costs in November to feed into the annual true-up exercise.

4.2 **Springwell school** are projecting an underspend of £0.100m. This has been analysed as £0.069m underspending against primary assumptions and £0.031m against controllable spend.

4.3 **Catcote school** are projecting an underspend of £0.177m. This is made up of £0.136m underspend attributable to primary assumptions and other non-controllable spend and £0.041m relating to controllable spend.

4.4 The indicative outcome across both schools suggests a minimum clawback of £0.205m to the High Needs Block.

5. AY 2025-26 Proposed Cost Model and Illustrative Top up rates – Springwell School

5.1 As part of the High Needs Block budget setting process for 2025/26, Children's Services Committee agreed up to a 3% inflationary increase to special school funding for academic year 2025-26.

5.2 As part of their cost model proposals, each school identifies any growth in Hartlepool provision and any agreed growth sits outside of the allowable 3% increase. Growth can be the result of additional pupils, exceptional pupil needs, or other extraordinary factors affecting the operation of the school.

5.3 Each special school has produced an updated cost model based on pupil admissions and expected budgets for AY 2025-26. In summary, each school calculates overall running costs, then deducts place funding income and any grant income to arrive at a net cost for the school. Costs are then allocated across each pathway or team to give a top-up per pupil.

5.4 The proposed top up rates for Springwell AY 2025-26 based on the three needs based pathways are set out as follows:

Team	Top-up Proposed	Pupils AY 2025-26	Proposed Cost
Africa	£26,128	28	£731,586
South America	£20,676	46	£951,102
Asia	£13,597	20	£271,937
TOTAL		**94**	**£1,954,625**

5.5 Before any consideration of growth, this is an increase of £0.167m (or 9.3%) from the approved cost model in AY2024-25 costing £1.788m.

5.6 Springwell school have asked for the following items to be approved as growth. The school considers these items of expenditure as outside their control yet affecting the operating cost of provision in AY2025-26.

Expenditure Growth	Estimated Cost	Rationale
Net cost of pay changes (incl National Insurance increase) after government grant	£0.095m	The school must implement the pay changes and reduced staffing levels is not considered a viable option.
Loss of income from Out of Hartlepool placements	£0.058m	The profile of pupil needs across the school cohort has resulted the need to limit places to 94 pupils. This has reduced the ability of the school to earn income from other authorities (which reduces the cost of provision to HBC).
Revenue contribution to capital schemes	£0.026m	In the first 2 years of operation, HBC did not allow special schools to include a contribution to capital schemes within their cost model proposals. At year 3 of operation, there is recognition that inclusion of such costs is reasonable. The school has included their Devolved Formula Capital Grant before seeking the £0.026m.
TOTAL GROWTH REQUEST	£0.179m	

5.7 The Council's SEN Team and Commissioning Team have considered the growth requested by the school. There is recognition of the redesignation of the school resulting in a greater proportion of children with more complex need and the associated requirement for smaller class sizes.

5.8 Further work is ongoing by the authority that may amend the £0.179m growth request. The work is around securing a place for one child with particularly complex need currently in mainstream. Despite this additional work, Forum are being asked to consider the full £0.179m growth and agree in principle for recommendation to Children's Services Committee in order to meet deadlines.

5.9 Should Forum agree the growth requests included in the table above, the £0.179m would sit outside of the allowable 3% increase. Excluding growth, the school is requesting a small reduction from the previous academic year cost arrangement (1% reduction).

5.10 The High Needs Block (HNB) budget for 2025/26 assumes an increase of 3% only (£0.031m) for the period September 2025 to March 2026 – no growth has been included. Therefore, approval of the AY2025-26 cost model (pro-rata) would increase the current outturn projection for HNB spending by £0.066m.

6. Proposed Cost Model and Illustrative Top up rates – Catcote School

6.1 Catcote Academy educates both pre-16 and post-16 pupils. The same pathways are in place across the full school. The proposed top up rates for Catcote Academy for AY 2025-26 based on the three pathways are as follows:

Team	Top-up Proposed	Pupils AY 2025-26	Proposed Cost
Red (Pre-16)	£13,679	88	£1,203,752
Yellow (Pre-16)	£28,982	31	£898,442
Blue (Pre-16)	£26,015	28	£728,420
Red (Post-16)	£3,629	38	£137,902
Yellow (Post-16)	£9,073	16	£145,168
Blue (Post-16)	£5,444	16	£87,104
Place funding (37 above number)	£10,000		£370,000
TOTAL		**217**	**£3,570,747**

(rounded)

6.2 Before any consideration of growth, this is an increase of £0.588m (or 19.7%) from the approved cost model in AY2024-25 costing £2.983m.

6.3 Catcote school have asked for the following items to be approved as growth. The school considers these items of expenditure as outside their control yet affecting the operating cost of provision in AY2025-26.

Expenditure Growth	School Requested Cost	LA Adjusted Cost	Rationale
Growth in pupil volumes	£0.363m	£0.333m	Agreed place numbers are 180. For AY2024-25, the school had 23 places over number. For AY 2025-26, school will be 37 over number. Two additional teachers and 5 learning support assistants are included in the growth request, along with an additional job coach. The school is also seeking to fund an additional finance / admin post. Finally, planned improvements to the car park are included at £0.030m.
Growth in pupil need	£0.076m	£0.061m	The school is reporting an increased level of pupil need across their cohort for AY2025-26. The £0.076m reflects the cost of 1

			additional teaching assistant, 1 new advanced learning support assistant, enhanced pay for certain staff to be trained in specialist speech and language and complex needs management. Refurbishment of a Life Skills Room at £0.015m is also included.
Revenue contribution to capital schemes	£0.080m	£0.059m	In the first 2 years of operation, HBC did not allow special schools to include a contribution to capital schemes within their cost model proposals. At year 3 of operation, there is recognition that inclusion of such costs is reasonable.
TOTAL GROWTH REQUEST	£0.518m	£0.453m	

6.4 For such a significant increase, careful consideration has been given by the local authority to any areas of planned spend that could be re-prioritised.

6.5 Review by Council Officers to date suggests that several reductions in the growth request could be feasible. This includes deferral of works to the school car park, creation of a Life Skills Room and other refurbishment to facilities. This would reduce the overall growth request by £0.065m.

6.6 Further work is ongoing by the authority to review the level of need and prioritisation for the additional job coach, additional finance and administrative support and planned IT works within the £0.080m revenue contribution to capital schemes. Despite this additional work, Forum are being asked to consider the amended growth request of £0.453m in full (please refer to "LA Amended" Column in table above) and agree in principle for recommendation to Children's Services Committee to meet deadlines.

6.7 Should Forum agree the growth requests included in the table above, the £0.453m would sit outside of the allowable 3% increase. This would mean that the baseline increase in cost from AY2025-26 would be within the 3% allowed. The increase excluding growth would equate to a 2.67% increase.

6.8 The High Needs Block (HNB) budget for 2025/26 assumes an increase of 3% only (£0.052m) for the period September 2025 to March 2026 – no growth has been assumed. Therefore, approval of the AY2025-26 cost model (pro-rata) would increase the current outturn projection for HNB spending by £0.259m.

6.9 Across the two schools, the overall increase in cost to the High Needs Block (full year impact) would be £0.557m.

7. Other considerations

7.1 Place funding at £10,000 per place will continue to be paid direct by ESFA to each school based on the latest official place numbers – 180 Catcote and 94 Springwell.

7.2 To aid future planning, both schools have been asked to provide their planned capital programme for the next 3-5 years.

8. Recommendations

8.1 Forum is asked to:

- Note the contents of the report, including the view from Council Officers on each school's growth proposals;
- Review the growth proposal of £0.179m for Springwell School and consider whether to recommend to Children's Services Committee for approval;
- Review the adjusted growth proposal of £0.453m for Catcote School and consider whether to recommend to Children's Services Committee for approval.

Appendix A: Special Schools Cost Model Timeline