
SCHOOLS' FORUM

Monday 26 January 2026 – 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 12 January 2026 and Matters Arising *Chair*
3. High Needs Block 2026/27 Budget Requirement (BAU Only) *(For Decision)* *Amanda Whitehead*
4. Permanently Excluded Pupils (PEXs) *(Standing Item)* *Emma Rutherford*

Date and Time of Next Forum Meeting –
Tuesday 10 February 2026, 10 am at the CETL

Schools' Forum Meeting

12th January 2026

Attendees:

Members

Carole Bradley (CB) (Academy Primary) (Chair)
 Tim Blades (TB) (Maintained Governors)
 John Hardy (JH) (Academy Primary)
 Steve Jones (SJ) (Academy Secondary)
 David Leane (DL) (Diocese RC)
 Marcus Newing (MN) (Academy Primary)
 Toni Ray (TR) (PVI)
 Caroline Reed (CR) (Academy Primary)
 Linda Richardson (LR) (Early Years PVI)
 Andy Rogers (AR) (Academy Secondary)
 Emma Rutherford (ER) (Horizon School)
 Sue Sharpe (SS) (Governor)
 Mark Tilling (MT) (Maintained Secondary)
 Lee Walker (LW) (Academy Primary)
 Zoe Westley (ZW) (Academy Special)
 Vicki Wilson (VW) (Diocese C of E)

Local Authority Officers

Lisa Adams (LA) (Head of Service - Early Help)
 Claire Mcpartlin (CM) (Administrator)
 Sandra Shears (SSh) (Children's Finance)
 Fiona Stobbs (FS) (Inclusive Learning and SEND)
 Alison Sutherland (AS) (Executive Director Children's and Joint Commissioning Services)
 Jane Watt (JWa) (Children's Finance)

Agenda Item	Action
<p>1 Apologies and Introductions</p> <p>CB welcomed AS to Forum and a round of introductions took place.</p> <p>Apologies were received from: Adam Palmer (Academy Secondary) Philip Pritchard (Academy Primary) Leanne Yates (Academy Primary) Amanda Whitehead, Assistant Director - Education</p>	
<p>2 Minutes of the Last Meeting – 9th December 2025 – Matters Arising</p> <p>The minutes of Schools' Forum on 9th December 2025 were approved.</p>	
<p>3 Central School Services Block Budgets 2026/27 – Update</p> <p>The report confirmed the final funding allocation for 2026/27.</p> <p>The allocation for the Central School Services Block was £0.666m. This included funding for historic and ongoing commitments. It had been</p>	

	<p>previously agreed by Forum for any residual funding to be transferred to the High Needs Block (HNB), this would total £0.047m.</p> <p>CR queried the overall costs of the EYES system, as it appeared in two budget commitments (CSSB and Early Years). It was agreed for JWa to confirm the costs and provide an update to Forum.</p> <p>Decision</p> <p>i) Forum noted the contents of the report.</p>	JWa
4	<p>Dedicated Schools Grant – Early Years Block 2026/27</p> <p>The report consulted on the 2026/27 Early Years National Funding Formula (EYNFF) and funding of providers.</p> <p>A copy of the consultation responses was provided to members of Forum by the Head of Service – Early Help. Children’s Services Committee would receive the consultation results and recommendations from Schools’ Forum at their meeting scheduled for 3rd February 2026.</p> <p>Members are annually asked to consider the results of the consultation on proposed changes to local early year’s funding formulas and funding levels for providers. Entitlements for 9 months and 2 years as well as the 2-year-old working parent had extended to 30 hours per week in 2025/26.</p> <p>When proposing an hourly rate structure officers had to consider a number of factors. At least 97% of the funded hourly rate must be passed to providers. 3% could be used to effectively administer and manage the expanded early years offer by the Council. An appropriate level of contingency must be made available in case payments to providers during the year exceed census funding levels. Additionally, there was a SEN inclusion fund to support children with low level and emerging needs and additional financial support for those children living with a greater level of deprivation.</p> <p>Indicative funding for 2026/27 showed a total of £16,213,297.</p> <p>The following hourly rates were proposed:</p> <p><u>3- to 4-Year-Old Provision:</u></p> <ul style="list-style-type: none"> • Total funded hourly rate of £6.07 with 18p retained by the LA and a base rate of £5.56. • Increase of deprivation supplement from 1p to 4p. <p><u>2-Year-Old Working Parent Provision:</u></p> <ul style="list-style-type: none"> • Total funded hourly rate of £8.63 with 26p retained by the LA and a base rate of £8.11. • Deprivation supplement was unchanged from 2025/26. 	

	<p><u>2-Year-Old FRAS Hourly Rate:</u></p> <ul style="list-style-type: none"> • Total funded hourly rate of £8.63 with 26p retained by the LA and a base rate of £8.11. • Deprivation supplement of 20p. <p><u>Under 2-Year-Old Hourly Rate:</u></p> <ul style="list-style-type: none"> • Total funded hourly rate of £11.69 with 35p retained by the LA and a base rate of £11.26. • Deprivation supplement unchanged from 2025/26. <p>Consultation with providers had taken place between 5th – 9th January 2026 and had shown the following:</p> <ul style="list-style-type: none"> • 87.5% supported a pass-through rate of 97%. • 73.2% supported the hourly rate changes to increase the current SENIF budget. • 57.1% supported the increase of the deprivation supplement on 3- to 4- year-old provision. <p>Concerns were raised around the hourly rate being at the same rate for PVIs and schools when the increases for schools were so much lower, if the NI grant was taken into account. Following a lengthy discussion, it was agreed for JWa to clarify the Department of Education (DfE) regulations around the base rate and if this needed to be consistent across both PVI and schools or if it could be variable. This could provide options in future years.</p> <p>A query was raised as to whether the 3% needed to be retained by the Local Authority and what the funding was used for. The Head of Service – Early Help made Forum aware of staffing costs for the team. It was suggested that going forward costs would be explicitly explained within reports to allow for full transparency to Forum members.</p> <p>Decision</p> <ol style="list-style-type: none"> Forum noted the contents of the report and consultation responses. Approved the retention of the maximum 3% to the Local Authority by majority (15 in favour, 1 abstention and none against) Unanimously approved the hourly rate for 3- to 4-year-old provision Unanimously approved the hourly rate for 2-year-old Working Parent provision Unanimously approved hourly rate for 2-year-old FRAS provision Unanimously approved hourly rate for under 2-year-old provision 	
5	<p>Update – Schools Budget Shares 2026/27</p> <p>The report provided an update on the Schools Block Funding for 2026/27. The Department of Education (DfE) had determined the funding based on the October 2025 census numbers and pupil characteristics. An anonymised schedule of Individual School Budgets was attached at Appendix A.</p>	

	<p>Hartlepool Schools Block allocation for 2026/27 was at £90.841m in comparison to £89.674m in 2025/26. Pupil numbers in both primary and secondary schools had reduced from October 2024.</p> <p>One Hartlepool primary school had failed the Minimum Per Pupil Funding (MPPF), the school's ISB had been uplifted to £5,115 per pupil as required by regulations.</p> <p>Decision</p> <ul style="list-style-type: none"> i) Forum noted the contents of the report. ii) Forum noted the remaining growth fund being utilised to fund ISBs in 2026/27. iii) Forum noted the Hartlepool ISB information was required to be submitted by DfE by the statutory date and ratified by Children's Services Committee. 	
6	<p>Permanently Excluded Pupils (PEXs) – standing item</p> <p>17 pupils had been permanently excluded within this academic year. Of those, three were from out of area, two had been cancelled by the Head Teacher leaving the total number at 12.</p> <p>All 12 pupils had been enrolled into Horizon. There were 105 children on roll at Horizon in total.</p>	
7	<p>Any Other Business</p> <p>None.</p> <p>Meeting closed: 11:15 am.</p>	
8	<p>Date and Time of Next Forum Meeting</p> <p>Monday 26 January 2026, 10 am, Conference Hall, Centre for Excellence in Teaching and Learning (CETL).</p>	

OUTSTANDING ACTIONS LOG

Meeting	Description	Owner
12 January 2026	CR queried the overall costs of the EYES system, as it appeared in two budget commitments. It was agreed for JWa to find the costs and provide an update to Forum.	JWa

Financial Year 2025/26: Children’s Services Committee – Log of Schools’ Forum
Recommendations and Committee Decisions

Last Updated: 16 January 2026

Committee Date	Report	Recommendation and Decision Details
02/12/25	Special School Growth Proposals	a) Approve the growth proposals for Springwell school recommended by Schools’ Forum for AY 2025-26 of £0.179m ; b) Approve the growth proposals for Catcote school recommended by Schools’ Forum for AY2025-26 of £0.453m

**Report to Hartlepool Schools' Forum 26 January 2026
From Amanda Whitehead – Assistant Director, Education**

Item 3: High Needs Block Budget Requirement 2026/27 (Business As Usual)

1. Introduction

- 1.1 The purpose of the report is to introduce the draft budget requirement for High Needs Block (HNB) spending in 2026/27. A further report is planned for the Forum meeting of 10 February 2026 before Forum is asked to finalise recommendations to Children's Services Committee on the 3 March 2026.
- 1.2 This first report focuses on the budget requirement for existing provision (or the "Business as Usual" budget requirement). The figures presented include both volume changes and inflationary / price changes. The report does not contain costs of proposals linked to strategic changes. Strategic changes include the local authority's planned response to increase provision, ensure that existing provision remains fit for purpose or plans to improve outcomes for pupils with SEND. These strategic changes will be presented in the report to Forum on 10 February.
- 1.3 Planned costs to deliver education for permanently excluded pupils will also be included in the later report. At this stage, the provisional budget for 2026/27 is assumed at the 2025/26 budget level.
- 1.4 The two reports and associated discussions will bring together the full budget requirement proposals for the HNB in 2026/27 for onward recommendation to Children's Services Committee.

2. Background

- 2.1 Schools' Forum is consulted on the proposed HNB budget requirement each year for onward decision making by Children's Services Committee.
- 2.2 From financial year 2023/24, a HNB budget exceeding the funding available was approved by Children's Services Committee. The budget shortfall for 2023/24 was £2.147m, with an actual shortfall of £2.348m. The budget shortfall for 2024/25 was £2.171m, against an actual shortfall of £3.598m. The budget projected shortfall for 2025/26 is £4.257m with a projected shortfall at quarter 3 of £5.416m.
- 2.3 At 31 March 2025, the overall Dedicated Schools Grant (DSG) deficit stood at £4.932m. This is expected to increase to £10.348m by this financial year end should the quarter 3 projection of £5.416m materialise. This is before consideration of any Early Year's Block underspend. The cost to the Local Authority General Fund from this overspend is circa £0.400m a year in lost investment interest.
- 2.4 Recent statements from government suggest a commitment to "fully fund" the costs of educating pupils with SEND once the statutory override comes to an end in March 2028. Further details are awaited, alongside the SEND White Paper which is due early February. As yet, no information has been provided around dealing with DSG deficits built up to March 2028.

2.5 As the Council is now in a DSG deficit position, DfE require regular maintenance of a DSG Management planning covering a 10-year period. The latest plan update suggests a provisional deficit position of £18.789m by 31 March 2028.

3. **High Needs Block Funding 2026/27**

3.1 DfE informed authorities on 17 December 2025 that they have suspended the NFF (National Funding Formula) for High Needs in 2026/27. This information was not shared in advance. Instead, funding for this one financial year is effectively frozen at 2025/26 levels, other than the rolling in of separate grants that will need to be passed on to providers. **For clarity, this means that no inflation has been funded against the HNB in 2026/27.** Following wider reforms to the SEND system, which the government will set out in early 2026, DfE will review the methodology for allocating high needs funding so that it supports the SEND reforms.

3.2 The Hartlepool allocation before recoupment has increased by £1.290m, or 5.98%. However, this increase relates solely to the Core School Budget Grant (CSBG), NICs grant and School Budget Support Grant (SBSG) being included. These separate grants were paid in addition to the High Needs Block allocation in 2025/26. Grant funding must be passed on to providers, **meaning that none of the increased funding is available for growth or financial pressures in 2026/27.**

3.3 In summary, the 2026 to 2027 high needs allocations will be the total of:

- funding received through the 2025 to 2026 high needs block of the DSG, excluding the import and export adjustments and place funding deductions
- annualised 2025 to 2026 CSBG funding for independent special schools, specialist post-16 institutions, independent learning providers and hospital education provision, state funded special and AP schools
- 2026 to 2027 equivalent NICs grant and SBSG funding for places in special units and resource provision in mainstream schools
- import and export adjustments for 2026 to 2027 (the initial calculation has the 2025 to 2026 import and export adjustment which is updated later in 2026)
- place funding deductions for 2026 to 2027 (the initial calculation is based on 2025 to 2026 academic year place numbers, which are updated later in 2026)

3.3 The following table presents the high needs block allocation for 2026/27 published by DfE on 17 December 2025.

High Needs Block	2026/27 Funding £m
DSG High Needs Block Allocation (before academy place funding is deducted)	22.865
Recoupment for academy place funding	(4.108)
Net High Needs Funding 2026/27	18.760

3.4 There are several expected adjustments to the recoupment value of £4.108m shown in the table above. These are:

- Increase of 20 primary ARP places from September 2026;
- Increase of 37 secondary special school places from September 2026;
- Increase from 41 to 49 free school places from September 2026 (in line with DfE approved transition plan);
- Increase of 5 places at post-16 from September 2026.

3.5 The revised High Needs funding (after recoupment) for 2026/27 after these adjustments is **£18.453m**.

3.6 At their meeting on 16 September 2025, Schools' Forum agreed to the transfer of 0.5% from Schools Block to the High Needs Block. Forum also agreed to transfer any residual funding from the Central School Services Block once the budget requirement had been met. The two funding transfers can now be confirmed as £0.454m and £0.047m respectively.

3.7 Therefore, the updated funding available (after recoupment), including block transfers is **£18.954m**.

4. 2026/27 Budget Requirement Baseline

4.1 The following table summarises the estimated budget requirement for 2026/27, with a comparison to 2025/26.

Budget Area	£m	£m	£m
	2025/26 Budget	2026/27 Proposed	2026/27 Increase (+) / Decrease (-)
	£m	£m	£m
Independent Schools	5.283	5.235	(0.048)
Special Schools	6.136	7.994	1.858
Individual Pupil Support	3.453	4.620	1.167
ARPs Top Ups	2.022	2.685	0.663
Post-16 Top-ups	1.548	1.587	0.039
Horizon, Haven & AP	1.390	1.512	0.122
High Needs Block Services	0.713	0.735	0.022
LA Place Funding	0.696	0.717	0.021
Out of Area	0.442	0.384	(0.058)
HI/VI	0.251	0.251	-
Early Intervention	0.223	0.230	0.007
TOTAL	22.157	25.950	3.793

Block Funding Estimate	17.900	18.954
Est Funding Gap	4.257	6.996

4.2 The provisional budget requirement for 2026/27 suggests a funding gap of £6.996m. This budget gap will be temporarily funded by the Local Authority General Fund resulting in a further loss of investment interest of c£0.300m a year. The gap compares to the projected outturn as at quarter 3 of £5.416m. As outlined in the introduction to this report, the provisional budget does not yet include costs to deliver strategic change, or the full cost requirement for Exclusions.

5. **SEND Top-Up Funding**

- 5.1 Comparison with regional authorities on funding of SEN top-up rates and annual increases has shown that Hartlepool is an outlier. In 2025/26, regional authorities applied a nil increase to their top-up funding, with one exception funding a 0.5% increase. This is compared to Hartlepool's increase of 3%. Information shared across the region for 2026/27 gives a similar picture to 2025/26.
- 5.2 In addition to information on regional increases, benchmarking of Section 251 data using our SEND / AP programme partner authorities has been undertaken to understand Hartlepool's position for top-up spending as a percentage of population. The comparison again shows Hartlepool funds top-ups to a greater extent.
- 5.3 In response to this, the authority is reconsidering its strategy for top-up rate increases from 2026/27. The proposed new strategy for increases would seek to match the increase in Individual School Budgets (ISBs) for 2026/27, ensuring consistency across funding streams and aligning Hartlepool increases to the regional position.
- 5.4 The average increase in ISBs for 2026/27 is 0.37%. Therefore, the authority is proposing a 0.37% increase to top-up rates in 2026/27. This includes all top-ups paid based on the SEND ranges (4i, 4ii, etc), along with special school cost model increases. The 0.37% proposal aligns with the average ISB increase and with the regional position. As outlined in section 3, even an increase of 0.37% is unfunded by DfE.
- 5.5 The draft budgets included in this report assume the 0.37% increase in affected areas of provision.

6. **Budget Requirement by Area of Spend**

- 6.1 Each budget area within the table at paragraph 4.1 is considered in more detail in the paragraphs that follow.
- 6.2 **Independent Schools**

This year's budget	£5.282m
Projected Outturn	£5.166m
Next year's budget proposal	£5.235m

Rolling current commitments for placements forward to 2026/27 gives an estimated cost of £4.396m. Increasingly, the commitments against Independent School costs are being driven by social care need. Allowing for 8 new placements and 1 high cost placement during 2026/27, plus cost inflation of 5% gives a budget requirement of £5.325m. DfE grant funding of £0.090m to support cost inflation is expected in 2026/27 (within the £1.290m increase outlined in paragraph 3.2), resulting in a net budget requirement of £5.235m.

Independent school fees are the key area of mitigation in the DSG Management Plan as we aim to reduce the need for costly placements outside of the town wherever possible. The SEMH Free School has several pupils on roll that would otherwise have been placed in an Independent School at a significantly higher cost. Officers have quantified the estimated total cost avoided by placing pupils at the Free School and

this is included in the DSG Management Plan. For 2026/27, the cost avoided is estimated at £1.213m.

The budget requirement assumes a total of 71 placements at an average cost of £75k per placement.

6.3 Special Schools

This year's budget	£6.136m
Projected Outturn	£6.212m
Next year's budget proposal	£7.994m

This budget area includes the cost arrangements for Catcote and Springwell schools that is payable in addition to their place funding recouped by DfE. Additional places have been requested from DfE for Catcote from September 2026 that will increase total places to 217 (including post-16). Admissions expected for September 2026 will further increase Catcote placements to 237. The price for each cost arrangement is already agreed to the end of academic year 2025-26. The new academic year cost arrangements for 2026-27 assumes 22 additional places for Catcote and an overall 0.37% increase. No additional growth funding is included.

This budget area also includes the SEMH Free School. In line with the approved DfE transition plan, places will increase from 41 to 49 from September 2026. As outlined in section 3 of this report, DfE have frozen the HNB formula for 2026/27 at 2025/26 levels. As part of this, DfE have confirmed that there will be no additional funding for new and growing Free Schools. This means that the increased pupils from 30 to 41 as at September 2025 will not be reflected in Hartlepool funding. This is estimated at circa £0.105m.

Top-up rates have been increased by 0.37% within the budget proposal.

DfE have rolled the previously separate CSBG into the HNB funding for 2026/27. The grant is to be passed on to special schools and the free school in full. This change accounts for £0.985m of the budget increase.

6.4 Individual Pupil Support (including Group Funding)

This year's budget	£3.454m
Projected Outturn	£4.384m
Next year's budget proposal	£4.620m

The overall strategy to increase ordinarily available provision and reduce the most expensive placements has resulted in increased spending within the IPS budget area in recent years. Despite the introduction of increased scrutiny and peer challenge through the Seeking Support Panels, the cost of financial support through IPS and group funding agreements continues to rise.

Although IPS costs are increasing, Officers have estimated the cost avoided in moving away from IPS banded agreements for individual pupils towards more innovative approaches via group funded arrangements. Had this shift not taken place, the estimated increase in cost could have been circa £0.587m in 2025/26. This cost avoidance is included as a mitigation in the DSG Management Plan.

The budget proposal for 2026/27 assumes growth of 5% in agreements (both individual pupil bandings and group arrangements) plus the 0.37% price increase discussed in section 5 of this report.

6.5 ARPs

This year's budget	£2.022m
Projected Outturn	£2.498m
Next year's budget proposal	£2.685m

In line with the SEND strategy, ARPs are increasingly dealing with more complex needs and this has an impact on higher levels of banding for pupils with an associated increase in cost. Total funded ARP places are now 135 primary and 110 secondary. This includes the EBSA and Complex SEMH ARPs established at Horizon School during 2025/26. The new Horizon based ARPs will continue to be funded at cost for 2026/27. These are yet to be finalised so it is possible that the next report to Forum will contain a revised budget proposal for this element of ARP expenditure, along with the proposals relating to Horizon, Haven and AP. Top-up funding is included at a 0.37% increase.

The budget for temporary accommodation for one of our primary ARPs will only be required part year in 2026/27, as their new provision will open in September 2026. This saving has been reflected in the budget proposal.

DfE have rolled the previously separate SBSG into the HNB funding for 2026/27. The grant is to be passed on to ARPs in full. This change accounts for £0.093m of the budget increase.

6.6 Post-16

This year's budget	£1.548m
Projected Outturn	£1.587m
Next year's budget proposal	£1.587m

This budget area funds Catcote post-16 provision, Catcote Futures (post-19), along with places at Hartlepool College of Further Education and several places at other colleges.

6.7 Exclusions, including Alternative Provision

This year's budget	£1.390m
Projected Outturn	£1.428m
Next year's budget proposal	£1.512m

As outlined in paragraph 1.3 of this report, the budget proposal for Horizon, Haven and Alternative Provision will be included in the next report to Forum on 10 February. The amounts included in the table at paragraph 4.1 of this report assume a budget amount unchanged from 2025/26 at this stage, other than the mainstreamed CSBG grant.

The authority is coming under increasing pressure under Section 19. This is currently being managed without additional expenditure, however this position is likely to change in the short to medium term. This will be discussed in more detail in the next report to Forum on 10 February.

DfE have rolled the previously separate CSBG into the HNB funding for 2026/27. The grant is to be passed to Horizon in full. This change accounts for the budget increase of £0.122m.

6.8 High Needs Block Services

This year's budget	£0.713m
Projected Outturn	£0.713m
Next year's budget proposal	£0.735m

This budget contributes towards the cost of Education services provided into the High Needs Block. This includes central services such as finance and services funded within education such as Commissioning. A small increase of £0.022m is proposed within the 2026/27 budget to cover the cost of staff provision.

6.9 Local Authority Place Funding

This year's budget	£0.696m
Projected Outturn	£0.696m
Next year's budget proposal	£0.717m

This budget relates to place funding for ARP places in maintained schools. The budget increase relates to planned growth of 6 places within primary phase.

6.10 Out of Area Placements

This year's budget	£0.442m
Projected Outturn	£0.386m
Next year's budget proposal	£0.384m

Existing placements rolled forward into 2026/27 give a financial commitment of £0.254m. Provision for 7 new placements and estimated price inflation of 3% have been included in the budget proposal for 2026/27. The Council's Commissioning Team will continue their negotiation with providers to push back on price increases or minimise where feasible. New placements tend to be linked to moves into area where it is more beneficial for an existing placement to continue.

6.11 Early Intervention

This year's budget	£0.223m
Projected Outturn	£0.223m
Next year's budget proposal	£0.230m

This budget funds early intervention strategies – the Small Steps service and the Early Year's Portage Offer. A small increase of £0.007m is proposed in the budget for 2026/27 to fully fund staffing costs.

6.12 Hearing Impaired / Visually Impaired SLA

This year's budget	£0.251m
Projected Outturn	£0.239m
Next year's budget proposal	£0.251m

This budget funds the cost of the service level agreement to Middlesbrough Borough Council. The SLA cost is expected to be £0.251m in 2026/27. The underlying contract is currently being renegotiated so it is possible that costs of the service may change beyond 2026/27.

7. Other Changes Affecting the 2026/27 HNB Budget Requirement

- 7.1 As outlined in the introduction to this report, the provisional budget requirement presented here reflects “business as usual” spending only. It does not reflect any costs to deliver strategic changes. These plans will follow in the report to Forum for the 10 February meeting.
- 7.2 In addition, the full extent of expected costs for the Exclusions service is not reflected in this report. Further information will follow for discussion at the next Forum.

8. Recommendations

8.1 Forum is asked to:

- Review the budget proposals contained in sections 5 and 6 of this report;
- Note the intended content of a further report to Forum outlined in section 7 of this report;
- Recommend the budget proposals contained in the table at paragraph 4.1 of this report to Children’s Services Committee for decision (please note Forum will be asked to recommend further proposals to add to the figures in the table at paragraph 4.1 at the meeting on 10 February).