

# North Tyneside Council

## Report to Cabinet

### Date: 16 September 2024

#### Title: Ambition for Education – Update

<b>Portfolio(s):</b> Education, Inclusion, Employment and Skills; Supporting and Protecting Children; and Finance and Resources	<b>Cabinet Member(s):</b> Councillor Steven Phillips Councillor Peter Earley Councillor Anthony McMullen
<b>Report from Service Area:</b>	Children Young People and Learning Resources
<b>Responsible Officer:</b>	Julie Firth, Director of Children Services Tel: 0191 643 1454 Jon Ritchie, Director of Resources Tel: 0191 643 5701
<b>Wards affected:</b>	All

## PART 1

### 1.1 Executive Summary

North Tyneside has an education system to be proud of. A strong performer regionally and nationally, this reflects the hard work of Head Teachers and their teams, governing bodies, Elected Members, Local Authority staff and the fantastic children and young people.

The Authority recognises that education is the catalyst for social mobility and the mitigation of deprivation; championing the learner continues to sit at the heart of the Authority's decision making. Officers continue to work with schools and providers to tackle the priorities within the Ambition for Education 2024 - 2028 and the Special Educational Needs and Disabilities (SEND) Inclusion Strategy 2021 - 2024 to improve outcomes for all children and young people, to build on the Authority's partnerships to transform lives, uncap their potential, and mitigate against the longer-term impact of COVID-19. However, all of this needs to be achieved in a challenging environment for schools and education settings, the Authority and wider partnership members.

The purpose of this report is to

- Outline the local context and the key strategic challenges currently facing the education system in North Tyneside, the work already underway as part of the Strategic Education and Inclusion Review, and the further work required to tackle these challenges in partnership with educational leaders. The key challenges are as follows:
  - financial sustainability of Schools, in particular, Secondary provision
  - demand in relation to Children and Young People with Special Educational Needs and Disabilities (SEND)
  - Post-16 Provision, and
  - Local Plan proposals on School Places and Catchment areas.

## 1.2 Recommendation(s)

It is recommended that Cabinet:

- (1) note the key elements regarding the local context and note the continued challenges facing education in the Borough;
- (2) note and recognise the significant work that has been undertaken in response to the key strategic challenges regarding Special Educational Needs and Disabilities provision, including the Authority's progress since joining the Safety Valve Intervention Programme in April 2023;
- (3) note the work that has progressed regarding financial sustainability of schools and agree to progress the further work set out in paragraph 1.5.5.1 of this report;
- (4) note the activities undertaken in relation to catchment area amendments across the Borough and the ongoing work in that regard; and the intention to begin engaging with schools to explore options around future capacity / demand potentially arising from Local Plan Strategic sites as set out in paragraph 1.5.5.4 of this report;
- (5) authorise the Director of Children Services and the Director of Resources in consultation with the Cabinet Member for Education, Inclusion, Employment

and Skills, the Cabinet Member for Supporting and Protecting Children and the Cabinet Member for Finance and Resources to take all necessary steps to progress the work referred to in recommendations (3) and (4) above; and

(6) agree to receive further reports as required on the progress made as set out in the recommendations above.

### **1.3 Forward Plan**

Twenty-eight days' notice of this report has been given and it first appeared on the Forward Plan that was published on 2 August 2024.

### **1.4 Council Plan and Policy Framework**

This report relates to the following themes in the Authority's updated Our North Tyneside Plan 2021–2025:

- A family friendly North Tyneside
- A thriving North Tyneside
- A caring North Tyneside.

### **1.5 Information**

#### **1.5.1 Background**

Schools and officers in North Tyneside have established and sustained an education system to be proud of. As a collaboration they strive to sustain improvement and improve outcomes for all children and young people.

Historically, schools and colleges in the Borough have performed well in public examinations and against inspection frameworks with 94% judged to be good or better by Ofsted. However, the Authority also recognises gaps in outcomes for disadvantaged pupils. At the end of the academic year 2024, performance data showed that despite pupils' overall outcomes comparing favourably with national outcomes, those of disadvantaged pupils continue to lag behind those of their non-disadvantaged peers and remain stubbornly below the national average. The picture is compounded further for those pupils identified as long-term disadvantaged for whom the gap between them and their peers is stark. The disruption to education experienced during the pandemic continues to impact on schools and settings. This remains a continuing priority for the Authority.

In 2023/24 most pupils in Year 11 and Year 13 accessed their first-choice destination, and the proportion of pupils deemed as not in education employment or training (NEET) was 4.2% (below the national figure of 5.2%). This is testimony to the determination of both school staff and Authority Officers and their work with young people.

Central to the Authority's ambition for education is a desire to equip all students with the knowledge, skills and resilience needed to contribute to an unknown future and the world of work which may not be fully understood.

When developing the Our North Tyneside Council Plan there was due regard given to the strategies and policies that related to the education and to children and young people, namely the:

- Children and Young People Plan 2024-2025
- Ambition for Education Strategy in North Tyneside 2020-2024
- Ambition for Education Strategy (Refresh) 2024-2028
- Special Educational Need and Disability Inclusion Strategy 2021-2024
- Joint School improvement Strategy
- North of Tyne Education Challenge, and
- Children and Young People's Mental Health and Emotional Wellbeing Strategy 2021-2026.

The Authority's refreshed 'Ambition for Education in North Tyneside' document approved by Cabinet on 28 July 2024, sets out the priorities and targets for education from 2024 to 2027. It sets out the vision and priorities for ensuring that all children and young people in North Tyneside have access to a high-class education in order to achieve their full potential. It builds on the vision provided by 'Our North Tyneside Plan' and the 'Children's and Young People's Plan'. The Authority's targets align with the 'North of Tyne Education Challenge' (which has been adopted by the new North East Combined Authority) and 'Joint School Improvement Strategy.' They also support the delivery of the Authority partnership's SEND Inclusion Strategy.

## **1.5.2 Attainment and Progress**

The following provides some headline information around pupils' achievement.

- Whilst there are no statutory requirements for schools to submit their end of Early Years assessment data, officers continue to support schools and

settings to moderate their assessment information. The data indicates that the Borough is in line with national GLD ('Good Level of Development'). In 2024, 82.2% of pupils reached the thresholds for the phonic screening check at the end of Year 1. This is now in line with pre-pandemic results. The emerging national average for phonics screening check is 80.3%; this is yet to be confirmed.

- If pupils do not meet the standard on the phonics screening check, they must re-sit in the next assessment window when they are in year 2. In 2024 68.4% of pupils met the standard at the end of Year 2.
- In 2024, Key Stage 2 outcomes in North Tyneside are higher than emerging national averages. Reading and writing outcomes are 4% higher at expected standard and greater depth. Externally marked examinations at both Key Stage 4 and 5 were completed with no modifications in 2024.
- A level results in 2024 show a slight decrease on 2019 outcomes. The Authority average points for 2024 is 34.1 (33.8 2019) and an average C+ grade (average C + grade 2019). Applied general qualifications have improved on 2019 outcomes. The Authority average is 32.8 (28.9 in 2019) and an average distinction-.
- At Key Stage 4, Attainment 8 scores have not yet returned to 2019 levels. 44.2 from 45.9 in 2019. 63% of young people in the Borough achieve standard Grade 4 pass in english and mathematics in line with national expectations.
- As with the national trend our disadvantaged students have seen a greater impact on their results than non-disadvantaged students across the Borough from the pandemic disruption.
- 93% of pupils attend good or outstanding schools, compared to 87% nationally. 96% of parents and carers received their first-choice primary school in North Tyneside
- 87% of parents and carers received their first-choice secondary school in North Tyneside (Year 5, 7 & 9)

## **1.5.3 Local Context**

### **1.5.3.1 Schools Rebuilding Programme**

The School Rebuilding Programme is a 10-year programme that was announced in 2020. The programme seeks to identify 50 schools in each of the 10 years that are eligible for capital investment to address condition issues in those school buildings.

The first wave of schools identified in 2020 included Whitley Bay High School. The school took occupancy of their new accommodation in September 2023 and work is now progressing with the demolition of the redundant buildings and the formation of replacement external sport and informal spaces. Works are expected to conclude in Summer 2025.

Since the last update, the Authority has now been advised that engagement will commence with the following schools as part of future waves of the programme, as follows:

Wellfield Middle School – 2025

Redesdale Primary – 2027

Marden Bridge Middle School – 2027, and  
George Stephenson High School – 2027.

This will include the development of feasibility studies to determine the range and extent of investment at each of those sites.

### **1.5.3.2 Structural Issues**

In December 2023, Fordley Primary School reported an incident involving a concrete block falling from the ceiling of a ground floor classroom. The incident occurred before the start of the school day and fortunately, no one was injured. Structural investigations have confirmed issues with the concrete hollow block and concrete plank structure of the building. Since then, investigations have confirmed that similar defects exist in a further three schools, Churchill Community College, Hazlewood Primary and Grasmere Academy.

The Authority has been working with the Department for Education (Complex Projects Team) to understand the cause and consequence of this failure, however, at present, the Department for Education (DfE) are not in a position to

support the Authority with the financial (Capital) consequences. The Authority continues to meet regularly with the DfE to seek financial support. The current arrangements for each school are:

### **Fordley Primary School**

- Main two-story block affected, losing early years, and majority of general teaching spaces.
- School operated in unaffected areas and off-site facilities between January and May 2024.
- 10 modular classrooms currently installed within the school site to provide accommodation.
- All pupils back on site.

### **Churchill Community College**

- A full two-story block and 50% of a three story block have been taken out of use. Resulting in the loss of general teaching spaces, specialist (DT, Food, Graphics, ICT) spaces, offices, WC's and circulation.
- School operated in unaffected areas, off site and remote working, until July 2024.
- Modular accommodation has been procured and is being installed over the summer leave period.
- Other areas of the school have been converted to general or specialist teaching spaces.
- The school currently has an academy order since its Ofsted inspection in March 2024. An SLA has been agreed with the North East Learning Trust to provide an interim Senior Leadership Team and school improvement.

### **Hazlewood Primary School**

- The majority of the school is impacted. Ground and first floor spaces including hall, kitchen, admin, teaching and WC facilities. Only early years and 3 general teaching spaces are unaffected.

- School operated in unaffected areas, off-site facilities and on-site temporary accommodation (marquee and WC's).
- Modular accommodation has been procured and is being installed over the summer leave period.

### **Grasmere Academy**

- Main two-story block affected, losing Key Stage 1 and 2 teaching spaces, additional resource provision and staff and admin spaces.
- School operated in unaffected areas and remote learning between February and April 2024.
- All pupils back on site and are accommodated in the non-affected areas.

### **St Columba's – Reinforced Autoclaved Aerated Concrete (RAAC)**

- St Columba's Roman Catholic Primary is part of the Bishop Bewick Catholic Education Trust (BBCET). The school was identified as containing RAAC with the structure of over 50% of their building.
- Reinforcement works were undertaken by the DfE and BBCET in June 2023.
- DfE are project managing the delivery of temporary accommodation for the whole school on the school playing field. The school will take occupancy of the temporary accommodation from Monday 9 September, following an unavoidable delay to the start of the term.
- The DfE are anticipating commencement of feasibility studies for the permanent build solution before the end of the current financial year.

### **1.5.3.3 Local Context – Academisation in North Tyneside**

During the 23/24 academic year, the following schools have academised:

- John Spence High School – November 2023 – Pele Academy
- Whitehouse Primary School – January 2024 – NEAT Academy (sponsored)
- Battle Hill Primary – January 2024 – Centurion Academy
- Denbigh Primary – January 2024 – Centurion Academy



- Hadrian Park Primary – January 2024 Centurion Academy
- Spring Gardens Primary – March 2024 Centurion Academy, and
- Stephenson Memorial Primary – July 2024 – SMART Academy.

The following schools are currently being supported by the DfE in terms of identification of Academy Sponsors:

- Balliol Primary
- Carville Primary
- Ivy Road Primary
- Churchill Community College, and
- Wallsend Church of England Primary.

However, the Authority has been advised by the DfE that, since the General Election and change of Government, the timetable for academy conversions has been delayed, whilst Ministers review Policy.

#### **1.5.4 Strategic Education and Inclusion Review – Context and Principles**

Cabinet will recall that, in the September 2022 Cabinet Report, a number of key strategic challenges facing education provision in the Borough were identified as priority areas for the Strategic Education and Inclusion Review.

The key priorities of the review are to:

- **Establish financial sustainability of schools in particular Secondary Schools**
- **Establish appropriate provision in meeting the increasing demands in relation to children and young people with Special Educational Needs and Disabilities**
- **Review and improve the Post 16 arrangements across the Borough**
- **Consider the impact of Local Plan Proposals on school places and review of catchment areas**

The Authority is seeking to ensure that it maintains a sustainable, sufficient, and high-quality educational system in North Tyneside which enables all children and young people to achieve positive outcomes, including those with additional needs.

There are a number of principles behind the Education Review. These are that as a community of leaders in education, the Authority believes that all children and young people have the right to attend a school:

- which provides continued and improving high quality provision for all children
- which is good and in which they experience excellent teaching
- which provides a safe environment for children
- where young people are supported to become responsible citizens
- where all children are valued in an atmosphere of inclusion
- where the number of pupils on roll enables school leaders to provide a diverse curriculum appropriate for 21<sup>st</sup> century learning
- which successfully prepares pupils for work, and ensures they are employable
- which offers learning skills that match job opportunities
- where buildings are fit for purpose and facilitates learning
- which provides leading practice in progression across the phases from cradle to career
- which successfully engages with the community including businesses and particularly parents and carers, to the benefit of all
- which has strong partnerships with other schools and providers to ensure the achievements for all North Tyneside pupils, secured by collaboration over recent years, are sustainable
- which is of an appropriate size for the Authority to fulfil its statutory responsibilities regarding pupil places, and
- which contributes to the Local Plan and associated development.

These principles were originally established in 2014 and then discussed and endorsed again at a Headteacher briefing in April 2022.

### **1.5.5 Key Strategic challenges facing education provision in the Borough**

### 1.5.5.1 Financial Sustainability of Schools

School funding is the responsibility of the DfE; either by direct funding agreements with Academy Sponsors or delegated by local authorities to schools where budget management is the delegated responsibility of each governing body.

The main source of funding for mainstream primary and secondary schools is the Dedicated Schools Grant (DSG) which is allocated using the schools National Funding Formula (NFF), largely driven by the number of pupils attending the school. Schools have delegated budgets and carry forward surpluses and deficits from year to year. At 31 March 2024, there were 19 maintained schools within a cumulative deficit of £13.061m, with one deficit school becoming an academy during 2023/24. This was offset by 40 maintained schools with a cumulative surplus of £10.131m leaving school balances at the end of the financial year in deficit of £2.930m.

The emerging position for 2024/25 is one of continued financial challenge for a number of schools, both in terms of deficit approvals and reduced surplus balances held by schools. Budget plans agreed by individual school Governing Bodies for the 2024/25 financial year indicate a forecast in-year deficit of £6.777m, which would increase the deficit on school balances to £9.707m at 31 March 2025.

There has been, and will continue to be, work undertaken in 2024/25 to support schools in managing financial challenges, following on from support over a longer period of time. School Resources Management Advisors (SRMAs) deployed by the Education and Skills Funding Agency (ESFA) started to work with schools in 2022/23 to produce a comprehensive review of their finances. This support continued during 2023/24 including follow up visits for the original schools and for 2024/25, 3 new schools have been identified to start a review in September 2024.

Financial planning tools and use of deficit clinics have also been used to support schools to identify financial pressures and begin to take action to reduce pressures as soon as possible.

The significant challenge around Secondary Schools is predominantly linked to surplus places across the Secondary estate as a result of parental choice, settlement patterns and individual school choices. The Authority is also seeing

the Borough-wide birth rate reducing, changes in area demographics, a slower than expected build out rate of new homes and surplus school places increasing in some areas of the Borough.

In 2023/24 the Authority received an additional £1.868m Schools in Financial Difficulty Funding from the DfE to be used specifically towards the elimination of deficit balances, taking into account the severity of the school's position and prioritising those in greatest need. The funding was applied proportionately to the 2023/24 deficit balances, other than for Whitehouse Primary School which 12cademized on 31 December 2023, leaving a £0.221m deficit balance, which was funded in its entirety.

In 2024/25, sixteen schools have submitted an in-year deficit budget plan, with requests for deficit budget approval to the value of £15.674m, see table 1 below:

**Table 1: Deficit School Positions 2024/25**

	Outturn 2023/24	Budget Plan 2024/25	Comments
	£m	£m	
Wallsend Jubilee	0.005	0.090	Deficit clinic held or planned for Autumn term with recovery plan submitted
Forest Hall Primary	0.001	0.104	
Whitley Lodge	(0.055)	0.035	
St Bartholomew's	0.053	0.121	
Fordley Primary	0.200	0.026	
Silverdale Special	0.126	0.560	On-going funding review alongside deficit process
Southlands Special	0.122	0.395	
Moorbridge PRU	0.093	0.220	
Ivy Road Primary	0.176	0.178	Academy Order in place Existing deficit school with in-year balance.
Wallsend St Peter's Primary	0.411	0.430	Academy order in place Interim Executive Board (IEB) in place.
Longbenton High	1.006	0.826	Deficit recovery plan in place.

	Outturn 2023/24	Budget Plan 2024/25	Comments
	£m	£m	
Holystone Primary	0.098	0.220	Budget working group established with focus on SEND provision.
Beacon Hill Special	1.340	2.003	Budget working group established
Norham High	3.850	4.197	In-year balance from 2025/26 onwards.
Coquet Park First	0.176	0.334	Structural deficit
Monkseaton High	5.285	5.885	Structural deficit
<b>Total</b>	<b>12.887</b>	<b>15.674</b>	

Initial deficit review sessions took place in July 2024 with more planned for September, these were helpful and productive sessions, and the recovery plans included some innovative and forward-thinking solutions to the current financial difficulties. The Authority is reviewing the deficit recovery plans submitted by individual schools and will continue to work with other schools on these plans for the current financial year. Following this review, the Authority anticipates that five schools may be able to recover from the in-year deficit position and be able to outturn in a balanced position by the end of the financial year. However, this would require some support from the Schools in Financial Difficulty funding that is held by Schools Forum as a reserve to support those schools with relatively small deficit balances.

There are two special schools and a Pupil Referral Unit (PRU) which have set a deficit budget for 2024/25 and while they will be supported via the standard process, there is also additional work as part of the DSG Management Plan to look at how special schools and alternative provision is funded. This will include overall pupil-based funding as well as individual reviews for specific children.

There are eight schools with deficit balances that cannot be resolved within the financial year and that will require the Authority to approve a licenced deficit agreement. Cabinet should note that of the eight schools in deficit there are two schools that are currently in structural deficit, i.e. they are schools that have been unable to submit a 3 year recovery plan that shows the school coming back into either an in-year balanced position by year 3 of their recovery plan or if they are a school that is new to deficit that a cumulative balanced position cannot be reached by year 3 of their budget plan.

There are two deficit schools with academy orders. Ivy Road Primary has an existing deficit, however, they have submitted a budget plan which shows an in-year balance and looks to address the cumulative deficit over coming years. The Authority will work with the school and the relevant academy trust to reduce the cumulative deficit as much as possible ahead of academisation.

Wallsend St Peter's has an academy order and an Interim Executive Board has already been established, which includes representation from the academy trust. The school is also currently working with a School Resources Management Advisor (SRMA) to produce a comprehensive review of their finances to attempt to address the deficit balance and work towards an in-year balanced budget.

The specific circumstances relating to each of the remaining six schools are described in more detail below:

#### **a) Longbenton High School**

- The financial position at Longbenton High continues to improve and the overall deficit reduce. In 2023/24 the school received an allocation of £0.129m from the Schools in Financial Difficulty funding which reduced the cumulative deficit to £1.006m.
- In the last three years the school's pupil projections and overall financial projections have been in line with the school's financial recovery plan, which have led the school to not only achieve a balanced in year position but also to contributing an estimated £0.180m per year to reduce the cumulative deficit balance of the school.
- The most recent 3-year budget plan submitted by the school sees the cumulative deficit reduce to £0.567m by 2026/27, which is a significant reduction and is acknowledged by the Authority.

#### **b) Holystone Primary School**

- Holystone Primary School was one of the first schools to receive an SRMA visit which identified small areas for the school to explore to reduce expenditure and address the in-year deficit. These areas have been considered as part of the wider budget planning process.

- The school has always been inclusive and works hard to find innovative solutions to help children with SEND remain in a mainstream setting. As a result, they have a high percentage of children with an Education Health & Care Plan (EHCP) which brings additional costs. Work has now started with the school to look at SEND provision as part of the wider DSG Management plan work and regular meetings will be held between officers and the Head Teacher.
- Holystone ended 2023/24 with a deficit balance of £0.098m and a deficit review session will be undertaken in September 2024.

### c) Beacon Hill Special School

- Beacon Hill Special School was also one of the first schools to receive an SRMA visit and this review identified several areas for the school to focus on to reduce expenditure and address the in-year deficit. Work is on-going to include the recommendations in the 3-year budget plan.
- The school has recently had extensive capital work to add 40 additional school places on their main site and this will open in September 2024.
- Work is on-going with the school to look at pupil numbers and banding reviews, as part of the wider DSG management plan work, and a budget working group has been established to include officers and relevant staff from the school.
- Beacon Hill ended 2023/24 with a deficit balance of £1.340m and a deficit review session has been undertaken in July 2024.

### d) Norham High School

- Previously classified as a structural deficit school but work was undertaken to address this. The school had previously submitted a 3-year budget plan which showed them being back in financial balance by 2023/24. At that time the school was no longer considered to be in structural deficit.
- The budget plan submitted for 2024/25 for the 3 years to 2026/27 shows the school being in an in-year balance by year 2 (2025/26) with the overall deficit position projected to be £3.930m by 2026/27. Discussions

are on-going with the school to look at improvements to the 2024/25 in-year position and a deficit review session is planned for September.

#### **e) Coquet Park First School**

- Coquet Park first school is a Private Finance Initiative (PFI) school with a high proportion of the budget committed to the PFI contract charges. The PFI contractual obligations also result in a reduced opportunity to generate additional income from external sources.
- 2022/23 was the first financial year that the school ended with a deficit balance, and they ended 2023/24 with a cumulative deficit of £0.176m. They have been unable to submit a budget plan which shows them coming back into financial balance within 3 years. In line with Scheme for Financing Schools, the school is now classified as a structural deficit, however, officers continue to work with the school to look at options to bring them back into financial balance.
- A deficit review session will be undertaken in September 2024.

#### **f) Monkseaton High School**

- Monkseaton High School ended 2023/24 financial year with a deficit balance of £5.285m and continues to operate as a structural deficit school, in that it continues to forecast an in-year deficit for the 3-year budget plan submitted to the Authority.
- The 3-year budget plan submitted by the school in May 2024 showed that the overall deficit position is projected to be £7.218m by 2026/27, rising by around £0.660m per year on average. This is not a position that the Authority would be able to support through the deficit approval process.
- The School Resources Management Advisors (SRMA) visit to Monkseaton High School did not identify any areas of further significant savings beyond those already made and the financial position continues to be challenging, with the Governing Body managing a considerable structural deficit.
- The school has undertaken a lot of work to attempt to mitigate the growing deficit and whilst officers are working with the school to manage



the financial position the school still remains unable to bring about an in-year balanced budget.

- Surplus capacity within the school is proving the most challenging aspect of setting an in-year balanced budget due to significant under occupancy as a result of parental choice.

### **1.5.5.2 Meeting the needs of children and young people with Special Educational Needs & Disabilities**

#### **a) Current Position**

The following provides an overview of the Authority's performance in relation to children and young people with SEND in North Tyneside in 2023, and how it compares to the North East region and nationally.

#### **Prevalence of need**

The Authority and its partners are experiencing an increase in the complexity of children and young people's presentations. Compounded by Covid 19, the Authority and wider partnership has observed an increase in those with needs relating to children and young people's social, emotional and mental health needs, and their speech language and communication needs.

#### **Education Health and Care Plans (EHCPs) maintained by the Authority**

In January 2024 there were 6,185 pupils in North Tyneside schools with identified SEND, representing an increase of 483 compared to January 2023. Of all pupils in North Tyneside schools, 13.6% (4,333 pupils) have an SEN Support Plan, up from 12.4% (3,913 pupils) in January 2023; this figure is now in line with national comparators. 1,852 pupils in North Tyneside Schools had an EHCP in January 2024, up from 1,789 in January 2023.

In January 2024 the Authority was responsible for maintaining 2,167 EHCPs, representing a 2.6% increase from January 2023 and 5.86% increase since January 2022. This is significantly lower than increases nationally (11% increase from 2023 to 2024 and 22% increase from 2022 to 2024) and regionally (10% increase from 2023 to 2024 and 19% increase from 2022 to 2024). In previous years the Authority has been an outlier, with growth in EHCPs of 32% during 2019 (regional

8.8% and national 10.2%), 15% during 2020 (regional 7.9% and national 10.4%) and 11% during 2021 (regional 8.7% and national 9.9%).

The number of EHCPs maintained in January 2024 was broadly in line with the Authority's forecast in the Dedicated School Grant (DSG) Management Plan submitted to the Department for Education when entering the Safety Valve Intervention Programme in April 2023. This suggests that if regional and national growth in EHCPs continues in line with past trends, and if the Authority's EHCPs maintained remains in line with the DSG Management Plan, the number of EHCPs the Authority maintains will be in line with regional and national in 2027-28. Currently, the Authority continues to maintain significantly more EHCPs than regional and national as a result of higher increases in EHCPs maintained in previous years; per 10,000 0-25 population the Authority now maintains 379 EHCPs compared to regional and national which stand at 328.

### **Placements for children and young people with EHCPs**

In North Tyneside, special school provision holds the highest proportion (40%) of EHCPs, slightly lower than the North East region (40.9%), but higher than national (32.3%). Mainstream schools hold the second highest (34.8%), but this is lower than regionally (36.5%) and national (43.3%), although there has been a 6% increase in EHCPs in mainstream School in 2024 compared to 2023.

The Authority has committed to grow our Additionally Resourced Provisions (ARPs) and Special Educational Needs (SEN) Units within mainstream schools to 258 in 2028. In April 2023 the Authority commissioned 137 ARP and SEN Unit places, and in September 2024 will commission 157. The Authority is on track to commission 167 ARP and SEN Unit places by January 2025.

There are a higher proportion of children and young people with an EHCP in North Tyneside in further education (18.4%) than regionally and nationally (14.2% and 14.6% respectively) and fewer classified as a NEET (2.5% in North Tyneside, 3.4% in the region and 2.7% nationally).

#### **b) The main reasons for the overspend are rising needs and pressures on budgets, attributed to:**

There are significant pressures on the high needs budget.

- The disproportionately high number of EHCPs maintained by the Authority, all who receive top-up funding.
- The percentage of children and young people placed in maintained special school provision compared to national comparators.
- A higher number educated in non-maintained and independent specialist placements, which cost the Authority more.
- A national extension in the length a young person can have an EHCP, increased from 18 to 25-years-old, with no extra funding to support this.
- The way funding is allocated to the Authority, meaning limited flexibility to transfer money from one area to another. Previously the Authority had flexibility to determine how much money was allocated to different provision, but now there are four blocks of funding ringfenced to schools, high needs, central school services and early years. The Authority needs the permission of Schools Forum to transfer funding to high needs, limited to 0.5%, which has not been approved in recent years.
- The cost of funding the support for those with special educational needs and disabilities is not fixed. This is a demand-led service where costs can and do change considerably depending on the specific needs of the individual.

### **c) Department for Education Safety Valve Intervention Programme**

In July 2022, the Authority was invited by the DfE to take part in the safety valve intervention programme, with the aim of agreeing a package of reform to the Authority's high needs system that would bring our High Needs Block overspend under control. The High Needs Block funds the SEND system in North Tyneside and is one block of the Dedicated School Grant (DSG).

The DfE safety valve intervention programme commenced in 2020-21 and after the provision of an additional £300 million in the Spending Review, the programme invited a further 20 Authorities in 2022-23, which included North Tyneside Council.

The programme required the Authority to develop a DSG Management Plan which described how it would reform its high needs system, with support and challenge from the DfE. Where the Authority could demonstrate sufficiently that the DSG Management Plan created lasting sustainability and was effective for children and young people, including reaching an in-year balance on the High Needs Block by 2027-28, the DfE would enter into an agreement with the Authority.

The Authority's submission was successful, and it joined the safety valve intervention programme in April 2023. Subject to full compliance, the DfE agreed to pay the Authority a total of £19.5m to eliminate the cumulative deficit on the High Needs Block; this included £7.8m in 2022-23, £1.95m in 2023-24, 2024-25, 2025-26 and 2026-27, with a final payment of £3.90m in 2027-28;

In June 2023, the Authority also received £4.681m capital funding to support the implementation of the DSG Management Plan; this included:

- £3.216m to support the expansion of Additional Resourced Provision in primary and secondary schools
- £0.990m to support strengthened inclusion in our schools, and
- £0.475m to establish an Early Years Inclusion Service.

#### Financial summary for 2023-24

The Authority received full payment from the DfE of £7.8m for 2022-23 and after three successful returns to the DfE in 2023-24, as required by the programme, an additional £1.95m was received for that financial year.

After receiving full payment for 2022-23 and 2023-24, the DSG Management Plan forecast a 2023-24 year-end pressure of £10.474m on the High Needs Block. The Authority's outturn position for year-end 2023-24 was £10.494m.

Of the £4.681m capital funding to support the implementation of the DSG Management Plan, Officers have now awarded £0.884m to promote whole school inclusion in 41 schools in North Tyneside.

#### Progress on programme implementation

The Authority's DSG Management Plan set out three strategic priorities, to strengthen inclusion in schools and settings, strengthen school place planning and provision in the Borough to meet changing needs, and strengthen our statutory functions and support wrapped around our schools and settings.

The Authority harnessed the opportunity when submitting the DSG Management Plan, to further strengthen and build on the partnerships existing prevention and early intervention agenda, recognising that where funding is redirected to meet children and young people's needs earlier in their lives, we create the possibility to reduce spend on statutory, more costs services, later on. The DGS Management Plan set out a number of strategic priorities, in addition to the existing SEND Improvement Plan, which would meet children and young people's needs earlier, enabling the Authority to achieve an in year balance in 2027-28.

During 2023-24, the Authority has made strong progress against each of these strategic priorities.

#### **d) High Needs Capital Grant**

The Authority has received, for the financial year 2024/2025, a High Needs Capital Grant allocation of £558K. This, together with previous allocations and contributions from Basic Need Allocation, is contributing towards the following projects:

- a 10-class extension for Beacon Hill School, the Authority's school for pupils with Profound and Multiple Learning Difficulties.
- Beacon Hill Post 16 provision at Pembroke Wing at Balliol Primary School.
- Additional ASD accommodation at Southlands school
- Relocation of Silverdale Commissioned Service to Langdale Centre

#### **1.5.5.3 Post 16 provision across the Borough**

Cabinet will recall that the Post 16 review completed May 2022 had the overriding ambition to ensure that children and young people have access to the best Post 16 provision that is based on the following proposed principles:

- all students, including those who are disadvantaged and with special educational needs and/or disabilities, can access well considered curriculum that are responsive to their needs and interests and those of employers

- all students, no matter what their need are in receipt of high-quality teaching and learning experiences that build students' knowledge and skills progressively and prepare them well for the next steps in their education, employment, or training
- students have flexibility and inclusivity of choice, with access to a broad range of academic, vocational and/or technical pathways, and
- there is longer term sustainability and suitability of any Post 16 offer.

This year Officers have worked with schools to:

- ensure that information is consistently shared and signposted post 16 offer on the corporate website to create a one stop information hub for parents and pupils.
- ensure a dedicated officer has worked to promote schools and business/industry partnership. And strengthen the depth and consistency of careers education across all North Tyneside schools in partnership with the Connexions team
- establish a Preparation for Adulthood team as part of the Authority's SEND Improvement plan, and
- work with Elected Members to consider Post 16 provision in North Shields. John Spence High School (as part of Pele Trust) are keen to develop Post 16 provision on the site which would have strong vocational and SEND offer.

- **Local Plan proposals on school places and catchment areas**

Cabinet will recall that the Cabinet Report of September 2022 outlined that work was progressing to review and update the implications of the Local Plan on Education in North Tyneside and consider options to review catchment area arrangements.

**a) Birth Rates and pupil forecasts**

North Tyneside is currently experiencing a drop in the annual birth rate, as follows:

Birth Year	2018/2019	2019/2020	2020/2021	2021/2022	2022/23
No of Live births	2232	1996	1918	1952	1883
Comparison to previous year	+18	-236	-78	+34	-70

Over the past twelve years the birth rate rose to a peak in 2010/11 of 2,445 (the current year 7 cohort). Since that year there was a decline in the birth rate in 2016/17 to 2170 (current year 1 pupils). Since 19/20, the birth rate across the Borough has seen a further decline, moving from the number of births in 2018/19 of 2,232, to a birth rate in 2019/20 of 1,996, a drop of 236 births and a further drop of 78 births for the year 2020/21 to 1918. A small rise in the birth rate was recorded in 2021/22, of 1952, an increase of 34 places. The rate for 22/23 dropped again by 70 places, to 1882. Early information of the birth rate for the period September 2023 to May 2024 indicates a fifth year of consistently low birth rates, compared to the 2018/2019 figure.

The reduction in birth rate from 2019/20 has impacted the majority of schools at Reception 2024, with only three of the 56 schools admitting to their Published Admission Number. This is likely to have the same impact over the forthcoming four reception admission years. The reduction is equal to 10 forms of entry across the Reception admission year between 2024 and 2028. There are, however, local fluctuations to this trend, within wards and catchment areas experiencing new housing developments, particularly around Backworth and Holystone, and Wallsend North Wards.

## **b) The Local Plan**

The Local Plan was approved in 2017, indicating areas for new residential development, with an estimated increase of 17,000 dwellings to be delivered up to 2032. However, the economic crisis is impacting the build out rate of new developments, and therefore delaying the anticipated increase in pupil numbers.

The size and density of catchment housing is not relative to the school capacity. Across the Borough, several schools operate at capacity levels greater than their locality demands, importing pupils from other areas. Conversely, some schools have sufficient in catchment pupil demand, but parental preferences indicate an export preference from that locality to other settings. These two choices increase commuting to schools, road safety and

infrastructure concerns and impact environmental challenges locally and nationally.

There have been demographic changes in the Borough; as of 2023, the population in North Tyneside, across all areas and ages was 211,769. The population in North Tyneside is projected to grow by approximately 3% during the period to 2030. However, the make-up of the population is aging, forecasting the number of residents over the age of 65 to increase by over 17%. It is additionally anticipated that the population of residents aged 0-19 will see a small reduction from 45,945 to 45,488.

Though North Tyneside is a relatively small Borough, both in population and geography (32 square miles), the profile of the Borough is broad, when considering levels of deprivation. 18,761 residents live in areas representing the 10% most deprived neighbourhoods in England, whilst 27,326 residents live in the 10% least deprived neighbourhoods in England.

The Education Review team continue to work with the Authority's Planning Department to monitor Planning Applications and the build out of new homes and evaluate impact upon pupil numbers in areas of development and across the wider Borough. The two Strategic Sites of Murton Gap and Killingworth Moor are of particular interest. Developments have begun in Murton Gap with the approval of 300 new homes, planned to be built over a 6-year period. A further outline application for 2,700 homes, including a full application for 508 homes has been received. Applications have also been received in relation to Killingworth Moor, totalling 991 dwellings, though no approval has been granted at this stage.

Birth rates and pupil movement will be monitored in the area to determine if, where and when additional capacity may be required. This will include ensuring that any existing provision within the Borough is forecast to have less than 10% / 5% surplus capacity, for Primary and Secondary schools respectively, prior to the introduction of additional capacity.

### **c) Catchment Areas**

Work under way includes a review of pupil admission numbers and revised pupil modelling with ongoing support to Head Teachers and Governing Bodies. Within the Authority, the focus is increasingly on planning for the implications of the Local Plan and the Master Plans for Killingworth Moor and Murton Gap. Some work has already been done to tidy up Secondary Catchment Areas



while the spaces involved have no residents. However, more work will be required as the strategic sites come online.

Cabinet will remember that work has been carried out within the catchment system to simplify minor anomalies in the existing network. This work has aligned primary and secondary borders, where necessary, without affecting any residential addresses. Work is being undertaken with schools to consider changes to catchments not affected by the Local Plan but have existing anomalies that might see areas not aligned between primary and secondary families of schools. This will simplify arrangements between Primary and secondary catchments. Head Teachers are aware of the issues, but Cabinet will wish to note that any changes will require consultation as part of the annual Admissions Process with a report to Cabinet in Spring of 2024.

## **1.6 Decision options:**

The following decision options are available for consideration by Cabinet:

### Option 1

Accept the recommendations outlined in section 1.2 of this report.

### Option 2

Not to accept the recommendations outlined in section 1.2 of the report.

Option 1 is the recommended option.

## **1.7 Reasons for recommended option:**

Option 1 is recommended for the following reasons:

It reflects the priorities agreed by the Elected Mayor, Cabinet Member, Headteachers and Chairs of Governing Bodies.

## **1.8 Appendices:**

None.

## **1.9 Contact officers:**

Julie Firth, Director of Children Services, Tel: 0191 6431454

Jon Ritchie, Director of Resources, Tel: 0191 6435701

Ian Wilkinson, Strategic Lead Education Review, Tel: 0191 6434610

## 1.10 Background information

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

- (1) Review of Secondary School Provision Cabinet Report 14 October 2013
- (2) Education Review Cabinet Report 8 September 2014
- (3) Education Review – Feedback from Prepublication Cabinet Report 10 November 2014
- (4) Education Review – Feedback from Publication Consultation 12 January 2015
- (5) Education Review – Feedback from Publication Consultation Supplementary Report 12 January 2015
- (6) Education Review Update Report 13 July 2015
- (7) Education Review Cabinet Report 11 July 2016
- (8) Education for North Tyneside Cabinet Report 10 July 2017
- (9) Education for North Tyneside Cabinet Report 30 July 2018
- (10) LGA Education Funding Report, House of Commons, 4 June 2019
- (11) Education for North Tyneside Cabinet Report 29 July 2019
- (12) Ambition for Education Cabinet Report 25 January 2021
- (13) Ambition for Education Strategy 2020 – 2024
- (14) SEND Inclusion Strategy 2021 – 2024
- (15) Ambition for Education Cabinet Report 20 September 2021

- (16) North Tyneside Council Local Area SEND Ofsted Inspection
- (17) Special Educational Needs and Disabilities (SEND) and Alternative Provision (AP) Improvement Plan
- (18) Ambition for Education Cabinet Report 21 September 2022
- (19) Ambition for Education Cabinet Report 18 September 2023
- (20) Ambition for Education Strategy (Refresh) 2024-2028

## **PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING**

### **2.1 Finance and other resources**

Schools continue to face financial challenges and the Authority is working with them to deal with those challenges. The Dedicated Schools Grant is a ring-fenced grant that reflects overall School financial position deficits as well as the financial position of the High Needs Block.

As previously reported to Cabinet, High Needs ended 2023/24 with an overall pressure of £9.784m. The Authority is currently in the second year of the DSG Management Plan, agreed with the Department for Education, which will address the financial position of the High Needs Block and the deficit balance will be funded through the “safety valve” intervention programme as long as the plan is achieved.

Any future proposals because of national policy or local decisions that have financial implications will be brought to Cabinet as appropriate. The High Needs position and updates on the management plan will continue to be reported bi-monthly as part of the performance and financial management report and longer-term impacts are being considered as part of the 2025 – 2029 medium term financial plan.

Whilst school budgets are set and agreed by Governing Bodies, for maintained schools in the Borough the Authority must recognise the cumulative balances on its balance sheet each year. As set out in the body of the report, at 31 March 2024 the cumulative position was a deficit of £2.930m, including the cumulative deficits of £13.061m.

The budget plans submitted by schools indicate a deteriorating forecast position, with the cumulative deficits forecast to increase to £15.7m. The actual deficit or surplus by the end of the year will be dependent on the outturn of the maintained schools, as well as any schools that convert to academy status during the year.

In terms of academisation, the treatment of the schools' balances at the point of conversion will be dependent on a number of factors. In general, surplus balances would transfer with the school. Where the school is in deficit, the treatment will be dependent on the specific circumstances, but in some scenarios could result in the deficit crystallising and become the responsibility of the Authority (on the General Fund rather than DSG). This would have a revenue impact in year rather than being held on the balance sheet, so would need to be factored into the setting of the Authority's annual budget and medium-term financial plan.

## **2.2 Legal**

The Authority has a legal duty (by virtue of s.13A Education Act 1996) to ensure that its education functions are exercised with a view to:

- promoting high standards,
- ensuring fair access to opportunity, and
- promoting the fulfilment of the learning potential of every child and young person.

The report sets out the steps taken by the Authority to fulfil that obligation and what further steps are to be taken in that regard.

## **2.3 Consultation/community engagement**

### **2.3.1 Internal Consultation**

Discussions have been held with the Elected Mayor and Cabinet Members and with the senior team leading services for schools.

### **2.3.2 External Consultation/Engagement**

- Discussion with Headteachers at Headteacher online briefings and collaboration meetings, individually and in partnership groups and through Headteacher representative groups.

- Briefings and reports to Headteachers and SENCOs.
- Discussion with and reporting to the Department for Education regarding the Safety Valve Intervention Programme.
- Collaboration on driving forward the SEND Improvement Plan with strategic partners across education, health and care, including children and young people, parents and carers.

## **2.4 Human rights**

This report has been prepared having regard to Article 2 of the First Protocol of the Human Rights Act 1998 and a person's right to have an effective education.

## **2.5 Equalities and diversity**

Inherent within the principles of working for the Authority's Ambition for Education is a commitment to work with school colleagues to close the gaps in educational attainment and progress, between the most vulnerable pupils and their peers. Any proposed changes will undergo Equality Impact Assessment during development if the potential for impact on people with protected characteristics is possible and will be reported to Cabinet.

## **2.6 Risk management**

There are no risk issues arising directly from this report.

## **2.7 Crime and disorder**

There are no crime and disorder implications arising directly from this report.

## **2.8 Environment and sustainability**

There are no environment and sustainability implications arising directly from this report.

### PART 3 – SIGN OFF

- Chief Executive  X
- Director(s) of Service  X
- Mayor/Cabinet Member(s)  X
- Chief Finance Officer  X
- Monitoring Officer  X
- Interim Director  
of Corporate Strategy  
and Customer Service  X