

Record of Officer Decision

To submit an application to the Secretary of State to request a virement of £1.359m (1.79%) of the Schools Block (Dedicated School Grant) to the Higher Needs Block (Dedicated School Grant) in 2019/2020

Decision Taker and Date Decision Taken:

Chief Finance Officer in consultation with the Director of Children's Services and The Mayor

28th November 2018

Summary of Matter or Issue Requiring Decision:

The Local Authority receives a ring fenced grant for schools, early years providers and higher needs pupils within Torbay. The Higher Needs Block of the Dedicated Schools Grant (DSG) is facing severe financial pressure that needs to be addressed as a matter of urgency. In 2017/2018 the Dedicated Schools Grant was overspent by £983,000. A virement of 0.5% from the Schools Block in 2018/2019 reduced this pressure to £614,000. However, given the pressure is increasing in 2018/2019 due to rising numbers of pupils with Education, Health and Care Plans (EHCPs) and increased costs, there is a need to find a long-term solutions to the pressures. There is no Dedicated Schools Grant (DSG) reserve. The carry forward pressure from 2017/2018 places the reserve in a negative position of £614,000. Given the local authorities overall financial position, especially the increasing social care pressures, there is little if no scope to make available any corporate funding to alleviate High Needs pressures. There is equally no basis for the local authority to occur the costs that sit within the Dedicated Schools Grant.

School Forum (the statutory body for the delivery of the Dedicated Schools Grant) working with officers have generated a number of options that can be adopted to reduce the pressure on the Higher Needs Budget in the future. However the deficit position needs to be addressed.

School Forum in partnership with the Chief Finance Officer recommends that an application is submitted to the Secretary of State to vire £1.359 million (1.79% of the DSG) from the Central Schools Block to the Higher Needs Block of the DSG.

Decision Taken:

The Chief Finance Officer in Consultation with Director of Children's Services and The Mayor submit an application to the Secretary of State to seek approval for a virement of £1.359 million (1.79%) from the central schools block to the higher needs block of the DSG.

Summary of Reason(s) for Decision Taken:

The School Forum and Higher Needs Recovery Group have worked for a year to consider the options available to both manage the demand on the higher needs budget and reduce the deficit. The School Forum have received independent advice from a specialist consultant and looked at good practice from other Local Authorities.

The DSG is a ring fenced specific grant, provided outside the local government finance settlement. As the funding is ring-fenced, there is no requirement for local authorities to top-up the grant from general funding or from non-ring fenced revenue reserves.

The recovery plan (including the virement application) is in line with the Department for Education expectations that steps should be taken to ensure statutory services are provided within the annual funding envelope.

Summary of Alternatives or Options considered and rejected and Background Papers:

The School Forum and Higher Needs Recovery Group have considered a range of options in formulating the recovery plan. The minutes of all School Forum meetings can be found using the following link.

<http://www.torbay.gov.uk/DemocraticServices/ieListMeetings.aspx?CIId=659&Year=0>

Details of any conflict of interest and dispensation granted to the Officer taking the decision or by any Member of the Council in delegating responsibility for any specific express delegation:

None

Implementation:

28th November 2018

A copy of this decision and any supporting documentation considered by the Officer taking this decision may also be available for inspection by the public at the Council's offices or posted upon payment of any copying and postage charges. Any member of the public wishing to take up either of these options is asked to please ring (01803) 207087 or email governance.support@torbay.gov.uk

Signed: _____ Date: 28/11/18
Chief Finance Officer

Signed: _____ Date: 28/11/18
Director of Children's Services