

Financial Report School Forum 16th June 2022

Introduction

The following report contains a detailed breakdown of the final outturn position of the Local Area for 2021/2022. The report enables members to note the in-year position and the significant factors contributing toward the spend. The report covers the following items

- Forecast Outturn Position 22/23
- Contextual information regarding Early Years Block
- Contextual information regarding Higher Needs Block
- Position and Recommendations

Forecast Outturn Position 2022/2023

Dedicated Schools Grant (DSG) funded activities are currently forecast to **overspend by £2.711m**.

The following table details the main areas of both over and under spend. Many of these budgets are demand led and will be monitored during 22/23 and revisions reported accordingly.

Budget Heading	Budget	Actuals to date	Projected Outturn	Over / (Under) Spend
Early Years 2, 3 & 4 yr old payments – PVI's & Academies	£5.668m	£1.195m	£5.668m	£0k
Early Years – ALFEY	£295k	£104k	£295k	£0k
Early Years – Pupil Premium & Disability Access Fund	£159k	£10k	£129k	(£30k)
Early Years – 5% retained element	£338k	£63k	£320k	(£18k)
Joint Funded Placements	£450k	£96k	£450k	£0k
Recovery of funding from schools for Excluded Pupils, Medical Tuition Service and Elective Home Education	(£175k)	(£0k)	(£175k)	£0k
Independent Special School Fees	£3.562m	£835k	£3.562m	£0k
Other packages for EHCP pupils and SEND personal budgets	£1.512m	£285k	£1.512m	£0k
Payments to / recoupment from other authorities for Special School places	(£125k)	£7k	(£125k)	£0k
Medical Tuition Service / Virtual School / Hospital Tuition / Vulnerable Students Team	£1.587m	£348k	£1.587m	£0k
School contingencies (Planned pupil growth, NQT induction etc)	£128k	£31k	£128k	£0k
EHCP in-year adjustments (see separate paper for details)	£550k	£231k	£598k	£48k
Special Schools / High Needs in-year adjustments (see separate paper for details)	£400k	£478k	£475k	£75k
School Intervention / Commissioning (includes School Improvement Grant)	£121k	£24k	£121k	£0k
Business Support	£201k	£28k	£184k	(£17k)
Senior Management, Admissions, EAL / Travellers, SACRE	£321k	£49k	£309k	(£12k)
Visually impaired / Hearing impaired / Advisory Teachers	£198k	£16k	£163k	(£35k)
Deficit DSG budget set for 22/23	(£2.7m)			£2.7m
Total – Forecast Outturn Position 22/23				£2.711m

Early Years Block

Take up of early years placements have returned within the early years sector to pre-pandemic rates. There remains sufficient early years provision to meet the numbers of children that are eligible for early years placements.

Some Early years providers continue to make representation to the Local Authority regarding the additional costs that are being experienced. Where representations have been received an individual response is provided. We continue to ensure that all money is promptly passed to the sector and only the statutory 5% is retained by the Authority to run the early years and associated services. The national early years funding situation continues to be raised at regional and local levels.

New initiatives are being released by the Department for Education for the early years sector. These initiatives are designed to help workforce retention and give greater professional development opportunities. The initiatives are being centrally funded with the Local Authority acting in the role of guide and co-production with the commissioned delivery partners.

Higher Needs Block

Torbay continues to have a greater number of children requiring additional support up to and including a special school place than the funds available in the higher needs block can meet. Although the normal pressures on additional requests for support remains, there has been some changes within the blocks reported at the previous forum. The most significant area of concern is the **EHCP in year adjustments**.

Education, Health & Care Plan Funding for 21/22 & 22/23			
	21/22	22/23	Increase / (Decrease)
Number of pupils with EHCP	463	512	49.00
Number of FTE's with EHCP	407	463	56.00
	£	£	£
Funding below £6k allocated through school formula elements	2,426,210	2,774,332	348,122
Funding above £6k allocated as a top-up per eligible pupil	2,206,696	2,967,540	760,844
EHCP Contingency	340,000	550,000	210,000
In-Year adjustments			
April	214,516	133,189	(81,327)
May	92,973	97,442	4,469
June	76,491	28,685	(47,806)
July	52,297	23,016	(29,281)
August	32,649	26,432	(6,217)
September	281,701	160,427	(121,274)
October	43,591	49,765	6,174
November	43,590	39,567	(4,023)
December	30,737	27,608	(3,129)
January	(4,276)	(2,023)	2,253
February	22,417	14,328	(8,089)
March	(1,973)	(461)	1,512
Total - In-Year adjustments	884,713	597,975	
Projected (underspend) / overspend	544,713	47,975	
Notes			
Based on April - May 22 in-year adjustments, and an average of the past 3 years (21/22, 20/21 & 19/20) per month for the remainder of the financial year, it is anticipated the EHCP contingency will overspend by			47,975

The request for additional funding to enable children and young people to be admitted to school continues to be a trend.

Bespoke Packages of Support

A new panel has been established to review all children and young people that have a bespoke packages of education in place. The panel in time will review every individual package and aim to secure a re-integration plan where appropriate.

The panel has set out the following priority groups

- Primary aged children (Reviewed July 2022)
- Existing year 7 children (Reviewed July 2022)
- Children on a mainstream role but accessing a greater proportion of alternative provision

Any new requests for bespoke packages will go through rigorous review with a view that these will only be funded in extreme circumstances.

Special School Profile

The following table details the special school profile. This spend is in line with the budget.

Position

The forecast outturn position of the Local Area continues to be of significant concern. The position remains volatile and continued actions need to be taken to try and mitigate spend.

The in year overspend of the DSG is £2.711m

The cumulative overspend of the DSG is now £8.999m

Recommendation and Decisions

It is requested that Schools Forum:

1. Note the financial position and continue to work with the Local Authority to address the spending profile.
2. School Forum engage with the Local Authority in the co-production and delivery of the recovery plan for the Safety Valve agreement.

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