

Financial Report School Forum 19th January 2023
Forecast Outturn Position 2022/23

Dedicated Schools Grant (DSG) funded activities are currently forecast to **overspend by £2.864m**.

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	£6.060m	£4.420m	£6.060m	£0k
Early Years – ALFEY	£295k	£202k	£295k	£0k
Early Years – Pupil Premium & Disability Access Fund	£160k	£86k	£137k	(£23k)
Early Years – 5% retained element	£338k	£223k	£283k	(£55k)
Joint Funded Placements	£450k	£254k	£320k	(£130k)
Recovery of funding from schools for Excluded Pupils, Medical Tuition Service and Elective Home Education	(£175k)	(£134k)	(£175k)	£0k
Independent Special School Fees	£3.562m	£1.780m	£3.631m	£69k
Other packages for EHCP pupils and SEND personal budgets	£1.512m	£1.011m	£1.646m	£134k
Payments to / recoupment from other authorities for Special School places	(£125k)	£136k	(£25k)	£100k
Medical Tuition Service / Virtual School / Hospital Tuition / Vulnerable Students Team	£1.587m	£1.420m	£1.559m	(£28k)
School contingencies (Planned pupil growth, NQT induction etc)	£128k	£113k	£118k	(£10k)
EHCP in-year adjustments (see separate paper for details)	£550k	£692k	£703k	£153k
Special Schools / High Needs in-year adjustments (see separate paper for details)	£400k	£472k	£500k	£100k
School Intervention / Commissioning (includes School Improvement Grant)	£121k	£65k	£86k	(£35k)
Business Support	£201k	£136k	£178k	(£23k)
Senior Management, Admissions, EAL / Travellers, SACRE	£321k	£227k	£313k	(£8k)
Visually impaired / Hearing impaired / Advisory Teachers	£198k	£85k	£118k	(£80k)
Deficit DSG budget set for 22/23	(£2.7m)			£2.7m
Total – Forecast Outturn Position 22/23				£2.864m

The area of significant volatility continues to be in the Higher Needs Block.

Early Years Block

Take up of early years placements continue to be high. There is currently a surplus of early years capacity that exceeds the demand as it is noted that parental paid for hours have significantly reduced. The impact of the cost of living crisis is both having a detrimental impact on the revenue and costs that are associated with early years provision. A separate paper and agenda item have

been included to discuss the allocation of additional money received within the early years block.

Higher Needs Block

Torbay continues to have a greater number of children and young people requiring support up to and including a special school place than the funds available in the higher needs block. The impact of in year EHCP adjustments continues to be an area of concern and demand.

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	65,574	(10,917)
July	52,297	116,471	64,174
August	32,649	221,556	188,907
September	281,701	35,796	(245,905)
October	43,591	(33,353)	(76,944)
November	43,590	44,883	1,293
December	30,737	10,002	(20,735)
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	703,404	
Projected (underspend) / overspend	544,713	153,404	
Notes			
Based on April - Dec 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		153,404	

Special School Profile

The following table details the special school profile:

Financial Report School Forum 19th January 2023

DSG Funding Comparison

The following information is provided as a comparison as of 16.12.22 of the DSG position for 2022/23 to 2023/24. Work to provide the school allocations aligned with the decisions taken by School Forum progresses and schools will receive notification of their allocation in early February.

Comparison of initial DSG funding between 22/23 and 23/24 before academy recoupment				
	22/23	23/24	Increase /	
	DSG	DSG	(Decrease)	
	as at 16/12/21	as at 16/12/22		
	from ESFA	from ESFA		
Funding type	£	£	£	Note
Schools Block	91,847,445	97,735,774	5,888,329	1
Central Schools Block	1,089,945	859,362	(230,583)	2
Early Years - 3 & 4 Yr Olds	4,196,543	4,528,282	331,739	3
Early Years - 3 & 4 Yr Olds (Increase to 30 hrs)	1,633,510	2,011,137	377,627	3
Early Years - 2 Yr Olds	930,976	1,110,367	179,391	3
Early Years Pupil Premium	101,315	105,816	4,501	3
Early Years - Disability Access Fund	57,600	62,928	5,328	3
High Needs Block	23,572,260	25,634,390	2,062,130	
Additional High Needs Block	830,496	1,015,718	185,222	
Total Initial DSG	124,260,090	133,063,774	8,803,684	
Note				
1. The Schools Block allocation for 22/23 was based on 17,459 pupils and for 23/24 is based on 17,538 pupils.				
1. £2.719m has been added in 23/24, in 22/23 it was the separate School Supplementray Grant.				
1. Includes Pupil Growth funding of £456,993.				
1. £689k will be recouped by ESFA, they will then pay rates directly to the LA on behalf of schools.				
1. £456k has been added for historic PFI charges in Homelands and The Spires.				
2. Funding has moved out of CSSB into Schools Block to fund historic PFI charges in Homelands & The Spires.				
3. The Early Years allocations for 23/24 will be updated in-year by the ESFA once the Jan 23 & Jan 24 numbers are known.				

Financial Report School Forum 19th January 2023

Position

The forecast outturn position of the Local Area continues to be of significant concern. The position although better understood remains volatile and continued actions and momentum are required across the system to meet needs differently.

The in year overspend of the DSG is currently £2.864m

The cumulative overspend of the DSG is now £11.863m

Recommendation

School Forum continue to work with the Local Authority to make the necessary reductions in the budget through the Safety Valve process.