## **Schools Forum October 2019**

# **Financial Report**



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The following report contains a detailed breakdown of the financial position of the Local Area for 2019/2020. The report enables members to note the current outturn position and the significant factors contributing towards the spend. The report covers the following items.

- Forecast Outturn position 2019/2020
- Contextual information regarding Early Years Block
- Contextual information regarding Higher Needs Block
- Position and recommendations

### **Forecast Outturn Position 2019/20**

Dedicated Schools Grant (DSG) funded activities are currently forecast to **overspend by** £955k.

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 19/20 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	£4.653m	£2.257m	£4.653m	£0k
Early Years - ALFEY	£250k	£158k	£270k	£20k
Early Years – Pupil Premium & Disability Access Fund	£130k	£39k	£105k	(£25k)
Early Years – 5% retained element	£372k	£161k	£372k	£0k
Joint Funded Placements	£500k	£317k	£630k	£130k
Recovery of funding from schools for Excluded Pupils, Medical Tuition Service and Elective Home Education	(£704k)	(£48k)	(£604k)	£100k
Independent Special School Fees	£2.620m	£1.192m	£2.416m	(£204k)
Other packages for EHCP pupils and SEND personal budgets	£718k	£513k	£1.035m	£317k
Payments to / recoupment from other authorities for Special School places	(£129k)	(£17k)	(£198k)	(£69k)
Medical Tuition Service / Virtual School / Hospital Tuition / Vulnerable Students Team	£1.267m	£579k	£1.267m	£0k
School contingencies (Rates, planned pupil growth, NQT induction etc)	£532k	£131k	£353k	(£179k)
EHCP in-year adjustments (see separate paper for details)	£500k	£209k	£325k	(£175k)
Special Schools / High Needs in-year adjustments (see separate paper for details)	£484k	£642k	£784k	£300k
School Intervention / Commissioning (includes School Improvement Grant)	£177k	£75k	£177k	£0
Business Support	£163k	£86k	£153k	(£10k)
Required contribution from reserves in 19/20 to set a balanced budget	(£750k)	£0	£0	£750k

It should be noted that the activities and actions that have been taken across the Local Area are beginning to have an impact on the growth in the deficit position. The forecast outturn position has been maintained against the predicted position of £964K reported in June 2019. The two areas of significant volatility are within the Early Years Block and Higher Needs Block. The demand led pressures in these areas are detailed below.

## **Early Years Block**

There continues to be a high take up of all early years offers.

	Torbay	South West	National
2 year old	74%	75%	68%
Universal 15 hours	95%	96%	94%
Extended 30 hours	96%	n/a	92%

At this early stage officers are not making projected end figures as the census information will need to be gathered.

The Early Years ALFEY budget of £250k is forecast to be overspent by approximately £20,000 by the end of the financial year. The panel will be reviewing the application and will try to mitigate against any further increase in the deficit position.

## **Higher Needs Overview**

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. This demand pressure is in the great majority driven by schools requesting additional support and/or that children are assessed for an education health and care plan (EHCP).

The full analysis of Higher Needs Costs and placements is included in the Forum Papers for greater scrutiny and discussion.

The work of the Higher Needs Recovery Group continues to focus on a diagnostic approach to identifying high cost areas and potential mechanisms for change. The actions included in the recovery plan are being addressed, implemented and there is some evidence that this is starting to stem the budget deficit position.

In addition to the placement costs we continue to monitor the request for additional funds above the £6,000 allocated to schools. The following table indicates the position to date.

Education, Health & Care Plan Fun	ding for 18/19 & 19/	/20	
	18/19	19/20	Increase / (Decrease)
			(Decrease)
Number of pupils with EHCP	395	444	49.00
Number of FTE's with EHCP	359	401	42.00
	£	£	£
Funding below £6k allocated through school formula elements	2,129,835	2,383,233	253,398
Funding above £6k allocated as a top-up per eligible pupil	1,507,657	1,929,955	422,298
EHCP Contingency	330,000	500,000	170,000
In-Year adjustments			
April	175,869	89,037	(86,832)
May	18,302	(2,510)	(20,812)
June	25,258	21,302	(3,956)
July	34,064	12,688	(21,376)
August	47,954	4,248	(43,706)
September	69,403	84,471	15,068
October	39,935	39,935	0
November	43,236	43,236	0
December	6,064	6,064	0
January	11,698	11,698	0
February	14,216	14,216	0
March	201	201	0
Total - In-Year adjustments	486,200	324,586	
Projected (underspend) / overspend	156,200	(175,414)	
Notes			
Based on Apr 19 to Sep 19 in-yr adjustments, and the same allocate	tion for the remainde	r of the	
financial year as 18/19, it is anticipated the EHCP contingency will u	underspend by	£175,414	

This position is improved and it should be noted that the work to review packages and step down bespoke arrangements is having an impact. This is a favourable position that has altered from an anticipated £121K underspend in June 2019.

The special school numbers continue to be reviewed and tracked. The following table demonstrates the position.

Number of places - January 19   2007th   140   200											
Patrice   Patrice   Patrice   School   Chestrut   Total   SEMH   AP   Total		Compe	Compe	Mayfield	Mayfield	Mayfield	Brunel	Burton	മ ജ മ	Totals	Totals
Publishese - January 18   228   228   228   228   25		Pafford	Pafford	School	Chestnut	Total	SEMH	₽	Lotal		сų
received betalting to the place at Combine Decrease of 14 p.p./ds   2.550.0000   2.550.000   2.550.000   2.550.000	Number of places - January 19	252		198	32	230	26	20	106.00	588.00	
Public   P	Number of pupils - January 19	248		207	28	235	51	29	110.00	593.00	
Page 19   Page	Number of places - September 19	252		208	32	240	92	20	106.00	298.00	
1,000   Pace and pacent   1,000   Pace   P	Initial Place led funding		2,520,000			2,358,333	260,000	200,000	1,060,000		5,938,333
Public   P	Initial Pupil led funding		806,354			1,971,474	687,480	581,150	1,268,630		4,046,458
132210   1364 468   14.565	Initial pupil specific additional funding		23,629			38,593	87,130	0	87,130		149,352
redulation the part of the par	Other funding - Outreach / exclusions / rent					256,174			0		256,174
1,000,000   1,00	Pupil Premium		132,210			136,465	34,595	27,583	62,178		330,853
r adjustments	Total initial funding		3,482,193			4,761,039	1,369,205	1,108,733	2,477,938		10,721,170
Pupils   Pupils   Pupils   F   Pupils   F   Pupils   F   Pupils   F   F   Pupils   F   F   F   F   F   F   F   F   F	In-Year adjustments	Pupils	Funding	Mayfield	Chestnut	Funding	SEMH	ΑP	Funding	Pupils	Funding
240 (420) 205 31 33,83 51 68 1156,90 589  241 4704 206 31 33,83 51 68 1156,90 601  242 (1057) 207 31 6,527) 54 70 4,317 605  243 (1057) 207 32 8,314 54 66 (29,520) 601  an observation between LAs Increase of 14 pupils perior adjustments  242 (1057) 207 32 8,314 54 66 (29,520) 601  243 (1057) 207 32 8,314 54 66 (29,520) 601  244 (1057) 207 32 8,314 54 66 (29,520) 601  255 45,249 211 26 (5,543) 45 52 (151,212) 589 (61)  an observation between LAS Increases of 14 pupils  255 209 73 20 10 10 10 10 10 10 10 10 10 10 10 10 10			сH	Pupils	Pupils	Ü	Pupils	Pupils	сH		ભ
14   4704   208   31   38,729   53   66   116,622   601	April	240	(4,270)	205	30	37,833		63	169,400	589	202,963
10,578   207   31   6,627   54   70   44,317   605	May	241	4,704	208	31	38,729	53	89	115,692	601	159,125
the control of the co	June	243	10,578	207	31	(5,627)	54	20	44,317	909	49,268
1971   1972	July	242	(1,052)	207	32	8,314	54	99	(29,550)	601	(22,288)
Pare	August	242	0	207	32	0	54	99	0	601	0
berr 0  berr 0  berr 1  berr 1  berr 1  berr 2  berr 2  berr 2  berr 2  berr 2  berr 3  berr 2  berr 3  berr 4  berr 4	September	255	45,249	211	26	(5,543)	45	52	(151,212)	589	(111,506)
bber hober  y wry  n -year pupil / place led adjustments  ced Provision (in-year changes in pupil numbers)  ced Provision (in-year changes in pupil numbers)  ced Provision (in-year changes in pupil numbers)  ced Provision - CSA (Apr - Aug 19 element of ES34)  ced Provision - CSA (Apr - Aug 19 element of ES34)  ced Provision - CSA (Apr - Aug 19 element of ES34)  ced Provision - CSA (Apr - Aug 19 element of ES34)  ced Provision - Mayfield / Chestrut (Jan - Mar 20)  uterach - Preston Primary  uterach - Preston - Preston Primary  uterach - Preston -	October									0	0
y  In year pupil / place led adjustments	November									0	0
y         0           nryear pupil / place led adjustments         55,209         73,706         148,647         0           nryear pupil / place led adjustments         55,209         73,706         148,647         0           red Provision (in-year changes in pupil numbers)         ced Provision - PCSA (lucreasing from 6 to 12 places from Sept 19)         19         148,647         0           red Provision - PCSA (lucreasing from 6 to 12 places from Sept 19)         19 <th< td=""><td>December</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>0</td><td>0</td></th<>	December									0	0
148,647   0   0   0   0   0   0   0   0   0	January									0	0
n-year pupil / place led adjustments         55,209         73,706         148,647         0           ced Provision (ir.year changes in pupil numbers)         ced Provision (ir.year changes in pupil numbers)         148,647         0           ced Provision (ir.year changes in pupil numbers)         ced Provision - PCSA (hor easing from 6 to 12 places from Sept 19)         ced Provision - PCSA (hor easing from 6 to 12 places from Sept 19)         ced Provision - PCSA (hor easing from 6 to 12 places from Sept 19)           ced Provision - PCSA (hor easing from 6 to 12 places from Sept 19)         ced Provision - PCSA (hor easing from 6 to 12 places from Sept 19)         ced Provision - PCSA (hor easing from 6 to 12 places from Sept 19)           ced Provision - PCSA (hor easing from 6 to 12 places from Sept 18 - Aug 19)         ced Provision - PCSA (hor easing from 6 to 12 places from Sept 19)         ced Provision - PCSA (hor easing from 6 to 12 places from Sept 19)           ced Provision - PCSA (hor easing from 6 to 12 places from Sept 18 - Aug 19)         ced Provision - PCSA (hor easing from 6 to 12 places from Sept 19)         ced Provision - PCSA (hor easing from 6 to 148, 440         ced Provision - PCSA (hor easing from 6 to 148, 440         ced Provision - PCSA (hor easing from 6 to 148, 440         ced Provision - PCSA (hor easing from 6 to 148, 440         ced Provision - PCSA (hor easing from 6 to 148, 440         ced Provision - PCSA (hor easing from 6 to 148, 440         ced Provision - PCSA (hor easing from 6 to 148, 440         ced Provision - PCSA (hor easing from 6 to 148, 440         ced Provision - PCSA (hor easing from 6 to 148	February									0	0
55,209	March									0	0
61,930	Total In -year pupil / place led adjustments		55,209			73,706			148,647		277,562
61,930 76,045 67,793 117,139 149,751 216,440 of 14 pupils	Enhanced Provision (in-year changes in pupil numbers)										22,659
61,930 76,045 67,793 117,139 149,751 216,440 of 14 pupils	Enhanced Provision - PCSA (Apr - Aug 19 element of £63	3K)									26,250
61,930 76,045 67,793 117,139 149,751 216,440 of 14 pupils	Enhanced Provision - PCSA (Increasing from 6 to 12 plac	ses from Sept 1	(6								35,000
61,930 76,045 67,793 117,139 149,751 216,440 of 14 pupils	3 additional places at Combe Pafford (Sept 18 - Aug 19)										30,000
61,930 76,045 67,793 117,139 149,751 216,440 of 14 pupils	Excluded pupils / 6th day provision - Mayfield / Chestnut (	Jan - Mar 20)									25,000
61,930 76,045 67,793 117,139 149,751 216,440 cf 14 pupils cf 14 pupils 176,045	ASC Outreach - Preston Primary										20,000
117,139 149,751 216,440 0	In-year pupil specific additional funding		61,930			76,045			62,793		205,768
of 14 pupils	Total - In-Year adjustments		117,139			149,751			216,440		642,239
of 14 pupils	Special School / High Needs contingency budget										400,000
	Adjustment from ESFA - Import / Export of HN Pupils betw	ween LA's - Inc		oils							84,000
	Total Funding Available										484,000
											1

### **Position**

The projected 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. However it is important to note that the actions that have been put in place are starting to have an impact on the rate of spend, there has been significant progress made across the Local Area and it is important that this is captured and celebrated to ensure we continue with the cultural shift required.

#### **Recommendation and Decisions**

It is requested that Schools Forum:

 Note the financial position and continue to work with the Local Authority through the mechanism of the Higher Needs Recovery Group to enact the financial recovery plan.

**Rachael Williams** 

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