

School Forum 23rd January 2020 Financial Report

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
- DSG allocation for 2020/2021
- Position and recommendations

Forecast Outturn Position 2019/20

Dedicated Schools Grant (DSG) funded activities are currently forecast to **overspend by** £970k.

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	£3.309m	£4.653m	£0k
Early Years – ALFEY	£250k	£170k	£270k	£20k
Early Years – Pupil Premium & Disability Access Fund	£130k	£62k	£105k	(£25k)
Early Years – 5% retained element	£372k	£245k	£372k	£0k
Joint Funded Placements	£500k	£493k	£630k	£130k
Recovery of funding from schools for Excluded Pupils, Medical Tuition Service and Elective Home Education	(£704k)	(£80k)	(£470k)	£234k
Independent Special School Fees	£2.620m	£1.971m	£2.490m	(£130k)
Other packages for EHCP pupils and SEND personal budgets	£718k	£747k	£1.043m	£325k
Payments to / recoupment from other authorities for Special School places	(£129k)	(£4k)	(£260k)	(£131k)
Medical Tuition Service / Virtual School / Hospital Tuition / Vulnerable Students Team	£1.267m	£915k	£1.259m	(£8k)
School contingencies (Rates, planned pupil growth, NQT induction etc)	£532k	£349k	£350k	(£182k)
EHCP in-year adjustments (see separate paper for details)	£500k	£302k	£328k	(£172k)
Special Schools / High Needs in-year adjustments (see separate paper for details)	£484k	£704k	£784k	£300k
School Intervention / Commissioning (includes School Improvement Grant)	£177k	£32k	£76k	(£101k)
Business Support	£163k	£127k	£146k	(£17k)

Other – including Admissions, EAL, Advisory Teachers				(£23k)
Required contribution from reserves in 19/20	(£750k)	£0	£0	£750k
to set a balanced budget				

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 improved against the predicted position of £1.048million reported in November 2019. This position is predominately linked to the Local Authority not requiring the need to spend the full allocation of the school intervention and commissioning funding, which is supplied for schools that fall into a category of need.

As in previous reports the main area of significant volatility remains within the Higher Needs block. Both the Higher Needs Block and the Early Years Block are demand led services and the report provides detail of the current level of demand within each block.

Early Years Block

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

	Torbay	South West	National
2 year old	73%	83%	72%
Universal 15 hours	99%	97%	94%
Extended 30 hours	98%	93%	90%

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, however the decisions connected to children plans until the end of the financial window, is likely to result in small changes.

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			
	18/19	19/20	Increase /
			(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	32,871	(7,064)
November	43,236	24,573	(18,663)
December	6,064	35,172	29,108
January	11,698	11,698	0
February	14,216	14,216	0
March	201	201	0
Total - In-Year adjustments	486,200	327,967	
Projected (underspend) / overspend	156,200	(172,033)	
Notes			
Based on Apr 19 to Dec 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		(172,033)	

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 remains a favourable position, however it has reduced by £10k since the forum meeting in November 2019.

The special school numbers continue to be reviewed and tracked. The following table demonstrates the position. The spend in this area has risen by £31K

Control Control Injection Mayined Injection Mayined Injection Mayined Injection Mayined Injection Mayined Injection Section Total		Speci	Special School and	other High Ne	eds funding	and other High Needs funding adjustments for 19/20	r 19/20				
Patient Patient Patient Patient School Chesinut Total SEMI AP Total		Combe	Combe	Mayfield	Mayfield	Mayfield	Brunel	Burton	8 8 B	Totals	Totals
Figure 1 (1960 cert - January 19 252 20 20 20 25 20 20 25 20 20 20 20 20 20 20 20 20 20 20 20 20		Pafford	Pafford	School	Chestnut	Total	SEMH	A	Total		сų
see of publics - January 19 as of publics - January 19 as of publics - January 19 as of publics - September 19 as of publics - September 19 as of publics - September 19 as of public - January 19 as of pu	Number of places - January 19	252		198	32	230	29	20	106.00	588.00	
Public P	Number of pupils - January 19	248		207	28	235	51	59	110.00	593.00	
Place led funding 2,520,000 2,569,333 569,000 1,060,000 4,000,000	Number of places - September 19	252		208	32	240	26	20	106.00	298.00	
Public led children Public	Initial Place led funding		2,520,000			2,358,333	260,000	200,000	1,060,000		5,938,333
public specific additional funding 23,623 R7,130 7,136	Initial Pupil led funding		806,354			1,971,474	687,480	581,150	1,268,630		4,046,458
Title Titl	Initial pupil specific additional funding		23,629			38,593	87,130	0	87,130		149,352
132.210 136.465 24.568 27.7583 20.7758 20.77	Other funding - Outreach / exclusions / rent					256,174			0		256,174
Initial funding ar adjustments Pupils Funding Mayfield Chestinut Funding Mayfield Chestinut Funding Pupils Funding Fu	Pupil Premium		132,210			136,465	34,595	27,583	62,178		330,853
ara dujustments	Total initial funding		3,482,193			4,761,039	1,369,205	1,108,733	2,477,938		10,721,170
Pupils E Pup	In-Year adjustments	Pupils	Funding	Mayfield	Chestnut	Funding	SEMH	Ф	Funding	Pupils	Funding
1894				Pupils	Pupils	ч	Pupils	Pupils	сH		ч
the control of the co	April	240	(4,270)	205		37,833			169,400	589	202,963
tit characteristic control of the co	May	241	4,704	208	31	38,729	53	89	115,692	601	159,125
1,000, 1,000,	June	243	10,578	207	31	(5,627)	54	20	44,317	909	49,268
State Continuents State St	July	242	(1,052)	207	32	8,314	25	99	(29,520)	109	(22,288)
1,075 211 26 11,531 45 52 (151,212) 589 (141,075) 213 29 39,234 45 52 0 6593 254 (1,075) 213 29 39,234 45 55 20,46 593 251 (1,527) 214 32 16,669 46 57 2,074 600 0 0 0 0 0 0 0 0	August	242	0	207	32	0	54	99	0	109	0
stments 254 (1,075) 213 29 39,234 45 52 0 593 stments 251 (1,527) 213 29 0 47 55 23,546 596 stments 251 (1,527) 214 32 16,669 46 57 2,074 600 stments 43,253 146,683 146,683 174,267 3 g 19 element of EGSk) 43,253 146,683 174,267 3 laylield Chestrut (Jan - Mar 20) 53,524 76,045 67,793 7 Sept 18 - Aug 19) 53,524 76,045 67,793 7 ncy budget 36,777 222,728 242,060 7 ncy budget 24,060 4 4	September	255	39,416	211	26	11,531	45	25	(151,212)	589	(100,265)
stments 251 (3,521) 213 29 0 47 55 23,546 595 5	October	254	(1,075)	213	29	39,234	45	25	0	293	38,159
stments 43,253 214 32 16,669 46 57 2,074 600 stments 43,253 146,683 174,267 3 in publi numbers) 43,253 146,683 174,267 3 g 19 element of £63k) Aug 19) 44,257 3 region from 6 to 12 places from Sept 19) 56,574 6045 67,793 1 Region from 6 to 12 places from Sept 19) 53,524 76,045 67,793 1 Region from 6 to 12 places from Sept 19) 53,524 76,045 67,793 1 Region from 6 to 12 places from Sept 19) 53,524 76,045 67,793 7 Region from 6 to 12 places	November	251	(3,521)	213	29	0	47	22	23,546	262	20,025
stments 43,253 146,683 174,267 0 in pupil numbers) 19 dement of £G3k) 174,267 0 g 19 element of £G3k) 19 dement of £G3k) 19 dement of £G3k) g 19 element of £G3k) 19 dement of £G3k) 10 dement of £G3k) sextited of Olz places from Sept 19) 10 dement of £G3k) 10 dement of £G3k) sextited of Chestrut (Jan - Mar 20) 53,524 76,045 67,793 sextited of Chestrut (Jan - Mar 20) 67,773 222,728 242,060 ncy budget 10 dement LA's - Increase of 14 pupils 10 dement LA's - Increase of 14 pupils 10 dement LA's - Increase of 14 pupils	December	251	(1,527)	214	32	16,669	46	22	2,074	009	17,216
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stments 43,253 146,683 174,267 0 in pupil numbers) in pupil numbers) 43,253 146,683 174,267 0 g 19 element of £63k) Agricult (Jan - Mar 20) Agricult (Jan - Mar 20) </td <td>February</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>0</td> <td>0</td>	February									0	0
in pupil numbers) in pupil num	March									0	0
in pupil numbers) g 19 element of £63k) ng from 6 to 12 places from Sept 19) (Sept 18 - Aug 19) (Sept 18 - A	Total In -year pupil / place led adjustments		43,253			146,683			174,267		364,203
g 19 element of £63k) Ing from 6 to 12 places from Sept 19) (Sept 18 - Aug 19) (Sep	Enhanced Provision (in-year changes in pupil numbers)										26,330
Ing from 6 to 12 places from Sept 19) (Sept 18 - Aug 19) (Sept 18 - Aug 19) (Sept 18 - Aug 19) Rayfield / Chestnut (Jan - Mar 20) 53,524 67,793 3 96,777 222,728 242,060 ncy budget ort of HN Pupils between LA's - Increase of 14 pupils	Enhanced Provision - PCSA (Apr - Aug 19 element of £6	33K)									26,250
(Sept 18 - Aug 19) (Sept 18 - Aug 19) Rayfield / Chestnut (Jan - Mar 20) 53,524 67,793 3 96,777 222,728 242,060 ncy budget ncy budget 14 pupils	Enhanced Provision - PCSA (Increasing from 6 to 12 pla	ices from Sept	(6								35,000
Rayfield / Chestnut (Jan - Mar 20) 53,524 76,045 67,793 3 96,777 222,728 242,060 ncy budget nory budget 14 pupils	3 additional places at Combe Pafford (Sept 18 - Aug 19)										30,000
19 53.524 76,045 67,793 67,793 18 18 18 18 18 18 18 18 18 18 18 18 18	Excluded pupils / 6th day provision - Mayfield / Chestnut	(Jan - Mar 20)									25,000
ncy budget 222,728 242,060 ort of HN Pupils between LA's - Increase of 14 pupils 14 pupils	In-year pupil specific additional funding		53,524			76,045			67,793		197,362
ncy budget ort of HN Pupils between LA's - Increase of 14 pupils	Total - In-Year adjustments		96,777			222,728			242,060		704,145
ort of HN Pupils between LA's - Increase of 14 pupils	Special School / High Needs contingency budget										400,000
	Adjustment from ESFA - Import / Export of HN Pupils bet	tween LA's - Inc	$\overline{}$	pils							84,000
	Total Funding Available										484,000
											000

DSG Allocation 2020/2021

The following table demonstrates the breakdown of the DSG allocation for 2020/2021 compared to 2019/2020. The notes on the chart should be considered as not all information is currently available to the local area.

	40/00	00/04	In /	
	19/20	20/21	Increase /	
	DSG	DSG	(Decrease)	
	as at 17/12/18	as at 19/12/19		
	from ESFA	from ESFA		
Funding type	£	£	£	Note
Schools Block	77,986,361	83,029,274	5,042,913	1
Central Schools Block	1,309,864	1,214,090	(95,774)	
Early Years - 3 & 4 Yr Olds	4,704,370	4,414,588	(289,782)	2
Early Years - 3 & 4 Yr Olds (Increase to 30 hrs)	1,570,396	1,706,302	135,906	2
Early Years - 2 Yr Olds	1,167,010	1,158,275	(8,735)	2
Early Years Pupil Premium	91,887	85,921	(5,966)	2
Early Years - Disability Access Fund	44,280	43,665	(615)	2
High Needs Block	17,784,239	19,183,226	1,398,987	
Total Initial DSG	104,658,407	110,835,341	6,176,934	
Note				
1. The Schools Block allocation for 19/20 was based on 17,376	pupils and for 20/21 is based on	17,568 pupils.		
1. £1.1m of the growth in Schools Block relates to the increase	in pupil numbers.			
1. Includes Pupil Growth funding of £643k.				

The Early Years sector have received communication regarding the new funding rates. These have been set at £5.00 per hour for 2 years olds (an increase of 5p) and £3.96 per hour for 3 and 4 year olds (an increase of 14p).

School allocation will be communicated on Thursday 6th February.

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 we continue to capture this and share progress.

The cumulative position of the deficit at the end of the financial year is anticipated to be approximately £3.625 million.

Recommendation and Decisions

It is requested that Schools Forum:

1. 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 Assistant Director Education, Learning and Skills