

Financial Report Schools Forum 6th May 2021

Introduction

The following report contains a detailed breakdown of the projected position of the Local Area for 2020/2021. The report enables members to note the outturn position and the significant factors contributing toward the spend. The report covers the following items

- Final Outturn Position 2020/2021
- DSG Allocation Budget 2021/2022
- Contextual information regarding Early Years Block
- Contextual information regarding Higher Needs Block
- Position and Recommendations

Final Outturn Position 2020/2021

Dedicated Schools Grant (DSG) funded activities have **overspent by £2.048m**.

The following table details the main areas of both over and under spend.

Budget Heading	Budget	Final Actuals	Over / (Under) Spend
Early Years 2, 3 & 4 yr old payments – PVI's & Academies	£5.638m	£5.533m	(£105k)
Estimated budget clawback from ESFA for changes in Early Years pupil numbers between Jan 20 (9/12ths funding) & Jan 21 (3/12ths funding)			£98k
Early Years – ALFEY	£265k	£282k	£17k
Early Years – Pupil Premium & Disability Access Fund	£130k	£84k	(£46k)
Early Years – 5% retained element	£364k	£333k	(£31k)
Reclaim from ESFA of Early Years pupil no. adjustments between Jan 19 and Jan 20 higher than anticipated.			£45k
Joint Funded Placements	£600k	£585k	(£15k)
Recovery of funding from schools for Excluded Pupils, Medical Tuition Service and Elective Home Education	(£386k)	(£150k)	£236k
Independent Special School Fees	£2.685m	£2.754m	£69k
Other packages for EHCP pupils and SEND personal budgets	£1.125m	£1.375m	£250k
Payments to / recoupment from other authorities for Special School places	(£230k)	(£224k)	£6k
Medical Tuition Service / Virtual School / Hospital Tuition / Vulnerable Students Team	£1.404m	£1.305m	(£99k)
School contingencies (Rates, planned pupil growth, NQT induction etc)	£261k	£169k	(£92k)
EHCP in-year adjustments (see separate paper for details)	£350k	£311k	(£39k)
Special Schools / High Needs in-year adjustments (see separate paper for details)	£600k	£671k	£71k
School Intervention / Commissioning (includes School Improvement Grant)	£142k	£91k	(£51k)
Business Support	£190k	£161k	(£29k)
Other – including Admissions, EAL / Travellers, Advisory Teachers			(£73k)
Delay in opening of St Michael's Primary, no ESFA recoupment of funds in 20/21.			(£217k)
Contribution from LA Covid grants towards salary costs of employees funded by DSG			(£195k)

High Needs in-year pupil number adjustment– Net import of pupils from other authorities reduced from 103 to 95 pupils			£48k
Deficit DSG budget set for 20/21	(£2.2m)	£0	£2.2m
Total – Forecast Outturn Position 20/21			£2.048m

This overspend is in line with the position reported to School Forum in March 2021. It should be noted that the deficit position has been reduced by £195k by a contribution from the LA Covid Fund.

The overall position of the Dedicated Schools Grant taking previous deficits into account at the end of **2020/2021 is an overspend of £ 5.826m**

This cumulative deficit is 5.6% of the overall annual DSG allocation.

The two areas of significant volatility are within the Early Years Block and Higher Needs Block.

Early Years Block

Please see separate paper on funding process for early years during the pandemic.

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. The following table demonstrates the final position on the EHCP allocation of funding above £6k.

Education, Health & Care Plan Funding for 19/20 & 20/21			
	19/20	20/21	Increase / (Decrease)
Number of pupils with EHCP	444	470	26.00
Number of FTE's with EHCP	401	429	28.00
	£	£	£
Funding below £6k allocated through school formula elements	2,383,233	2,554,879	171,646
Funding above £6k allocated as a top-up per eligible pupil	1,929,955	2,122,040	192,085
EHCP Contingency	500,000	350,000	(150,000)
In-Year adjustments			
April	89,037	16,946	(72,091)
May	(2,510)	(104)	2,406
June	21,302	(11,737)	(33,039)
July	12,688	4,062	(8,626)
August	4,248	42,398	38,150
September	84,471	115,109	30,638
October	32,871	72,833	39,962
November	24,573	50,539	25,966
December	35,172	16,915	(18,257)
January	9,789	(11,583)	(21,372)
February	5,291	15,276	9,985
March	591	0	(591)
Total - In-Year adjustments	317,523	310,654	
Total - (underspend) / overspend	(182,477)	(39,346)	

The following table demonstrates the numbers of Special School Commissioned Placements and Adjustments.

DSG Budget Allocation 2021/2022

School Forum are provided with an overview of the school allocations for 2021/2022.

Position

The final outturn position of the Local Area continues to be of significant concern. The budget for 2021/2022 remains volatile and we need to continue to take all actions to mitigate spend.

The cumulative overspend of the DSG is now £5.826m

Recommendation and Decisions

It is requested that Schools Forum:

1. Note the final outturn position and continue to work with the Local Authority through the mechanism of the Higher Needs Recovery Group to enact mitigations to reduce budget spend in the year 2021/2022..

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