

Financial Report School Forum 10th March 2022

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

- Forecast outturn position 2021/2022
- Contextual information regarding Early Years Block
- Contextual information regarding Higher Needs Block
- Position and Recommendations

Forecast Outturn Position 2021/22

Dedicated Schools Grant (DSG) funded activities are currently forecast to **overspend by £3.234m.**

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 21/22 and revisions reported accordingly.

Budget Heading	Budget	Actuals to date	Projected Outturn	Over / (<mark>Under)</mark> Spend				
Early Years 2, 3 & 4 yr old payments – PVI's & Academies	£5.596m	£5.043m	£5.705m	£109k				
Estimated budget from ESFA for changes in Early Years pupil numbers between pupil count dates								
Early Years – ALFEY	£270k	£274k	£285k	£15k				
Early Years – Pupil Premium & Disability Access Fund	£128k	£56k	£79k	(£49k)				
Early Years – 5% retained element	£345k	£283k	£306k	(£39k)				
Joint Funded Placements	£550k	£497k	£530k	(£20k)				
Reclaim from ESFA of Early Years pupil number variations between 20/21 and 21/22 lower than anticipated.				(£11k)				
Recovery of funding from schools for Excluded Pupils, Medical Tuition Service and Elective Home Education	(£250k)	(£116k)	(£140k)	£110k				
Independent Special School Fees	£3.100m	£3.148m	£3.313m	£213k				
Other packages for EHCP pupils and SEND personal budgets	£1.401m	£1.249m	£1.596m	£195k				
Payments to / recoupment from other authorities for Special School places	(£260k)	(£145k)	(£230k)	£30k				
Medical Tuition Service / Virtual School / Hospital Tuition / Vulnerable Students Team	£1.503m	£1.338m	£1.383m	(£120k)				
School contingencies (Rates, planned pupil growth, NQT induction etc)	£308k	£308k	£309k	£1k				
EHCP in-year adjustments (see separate paper for details)	£340k	£887k	£887k	£547k				

Special Schools / High Needs in-year	£600k	£503k	£505k	(£95k)
adjustments (see separate paper for details)				
School Intervention / Commissioning (includes	£145k	£90k	£91k	(£54k)
School Improvement Grant)				
Business Support	£195k	£175k	£180k	(£15k)
Other – including Admissions, EAL /				(£103k)
Travellers, Advisory Teachers, SEN contracts				
Deficit DSG budget set for 21/22	(£2.6m)			£2.6m
Total – Forecast Outturn Position 21/22				£3.234m

The area of significant volatility remains the Higher Needs Block.

Early Years Block

The Early Years census is in the process of being administered. The data has not yet been completely checked and verified internally and there is still a significant amount of cross-LA checking which needs to take place before the following indications can be formalised.

However, a report has been generated through the DfE Collect system which enables an initial forecast adjustment and outturn for the Early Years budget.

As a result of the pandemic, the ESFA made some changes to the methodology to calculating the final budget for the financial year 2021-22 and the adjustment received in July each year. The funding for this financial year has been based on actuals, with actual headcount attendance data being provided to the ESFA for the summer term and autumn term 2021. The final budget is therefore calculated as follows:

Five-twelfths of the May 2021 count PTE numbers (to cover Apr 2021 to Aug 2021) Four-twelfths of the October 2021 count PTE numbers (to cover Sept 2021 to Dec 2021) Three-twelfths of the January 2022 census PTE numbers (to cover Jan 2022 to Mar 2022)

The table below demonstrates this and provides the final PTE figures for the year using the extraordinary submissions for summer and autumn 2021 and the initial census report figures for January 2022:

		2YO	3YO Uni	3YO ext
May-21	5/12	137.50	774.70	322.66
Oct-21	4/12	123.00	419.00	182.66
Jan-22	3/12	83.56	394.79	177.72
	Total	344.06	1588.49	683.03

The figures above have been used to calculate an estimated budget adjustment, received in July 2022. The table below demonstrates this and the financial impact:

	Current budget PTE	Actual PTE	Adjustment to PTE	Adjustment £
2YO	333.87	344.06	10.19	£31,140.13
3YO U	1593.18	1588.49	-4.69	-£11,873.67
3YO ex	659	683.03	24.03	£60,821.45
			_	£80.087.91

The data shows that the Local Area could expect a positive adjustment of just over £80k.

This estimated adjustment figure has been included in the forecast outturn position data. Overall, the EY budget for 2, 3 and 4 year olds is expected to be overspent by £29k.

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 changes are within

Independent Special School Fees with a decrease of £55k from the previous report This is as a result of an Independent Special School Placement ceasing.

Other packages for ECHP and SEND personal budgets with a decrease of £76k from the previous report

Following the final terms commitments being confirmed and some provisions that had been projected forward no longer being required the budget has reduced.

School Contingencies with an increase of £42K from the previous report (to a balanced budget position on this cost line)

The budget has now been spent in line with the commitments that were set out by school forum for rates, planned pupil growth and ECF inductions.

Reporting table on EHCP Allocation above £6k

The other area of growth can be noted in the comparator report below.

	20/21	21/22	Increase /
			(Decrease)
Number of pupils with EHCP	470	463	(7.00
Number of FTE's with EHCP	429	407	(22.00
	£	£	£
Funding below £6k allocated through school formula elements	2,554,879	2,426,210	(128,669
Funding above £6k allocated as a top-up per eligible pupil	2,122,040	2,206,696	84,65
EHCP Contingency	350,000	340,000	(10,000
In-Year adjustments			
April	16,946	214,516	197,57
May	(104)	92,973	93,07
June	(11,737)	76,491	88,22
July	4,062	52,297	48,23
August	42,398	32,649	(9,749
September	115,109	281,701	166,59
October	72,833	43,591	(29,242
November	50,539	43,590	(6,949
December	16,915	30,737	13,82
January	(11,583)	(4,276)	7,30
February	15,276	22,417	7,14
March	0	0	
Total - In-Year adjustments	310,654	886,686	
Projected (underspend) / overspend	(39,346)	546,686	
Notes			
Based on April 21 - Feb 22 in-year adjustments, and the same alloca	tion for the remainder of	of the	
financial year as 20/21, it is anticipated the EHCP contingency will over	verspend by	546,686	

	Combe	Combe	Mayfield	Mayfield	Mayfield	Brunel	Burton	B & B	Totals	Totals
	Pafford	Pafford	School	Chestnut	Total	SEMH	AP	Total		£
Number of places - January 21	262		231	32	263	56	55	111.00	636.00	
Number of pupils - January 21	255		225	32	257	50	50	100.00	612.00	
Number of places - September 21	262		231	32	263	56	55	111.00	636.00	
Initial Place led funding		2,620,000			2,630,000	560,000	550,000	1,110,000		6,360,000
Initial Pupil led funding		1,256,417			2,621,345	790,050	577,250	1,367,300		5,245,062
Initial pupil specific additional funding		40,134			71,198	60,270		60,270		171,602
Previously Teachers Pay & Pension Grants		172,920			173,580	36,960	36,300	73,260		419,760
Other funding - Outreach / 6th day provision / rent		,			289,174	,	,	0		289,174
Pupil Premium		140,515			168.830	32,470	35.335	67.805		377,150
Total initial funding		4,229,986			5,954,127	1,479,750	1,198,885	2,678,635		12,862,748
In-Year adjustments	Pupils	Funding	Mayfield	Chestnut	Funding	SEMH	AP	Funding	Pupils	Funding
	- Up.114	£	Pupils	Pupils	£	Pupils	Pupils	£		£
April	257	91,257	228	32	24,375	51	51	27,346	619	142,978
May	257	(3,618)	229	34	50,238	54	53	64,619	627	111,239
June	253	(14,830)	228	32	(29,004)	54	56	37,196	623	(6,638)
July	252	(5,303)	228	31	(10,005)	54	35	(181,834)	600	(197,142)
August	252	0	228	31	0	54	35	0	600	Ó
September	269	65,829	233	31	27,146	51	32	(47,856)	616	45,119
October	268	(12,586)	232	30	(10,733)	50	34	3,645	614	(19,674)
November	267	(1,422)	231	31	2,173	48	36	(3,547)	613	(2,796)
December	263	(4,427)	231	31	0	47	38	2,430	610	(1,997)
January	264	6,576	230	31	(2,031)	47	39	2,886	611	7,431
February	264	1,319	231	31	1,354	47	40	1,924	613	4,597
March									0	С
Total In -year pupil / place led adjustments		122,795			53,513			(93,191)		83,117
Enhanced Provision (in-year changes in pupil top-ups)										26,795
Enhanced Provision (in-year increases in place numbers)										39,167
Excluded Pupils / 6th Day Provision (Sept - Dec) - Mayfield										38,000
Excluded Pupils / 6th Day Provision (Jan - Mar) - Mayfield										28,500
Occombe House - additional rent - Mayfield										12,336
In-year pupil specific additional funding		56,206			196,516			21,949		274,671
Total - In-Year adjustments		179,001			250,029			(71,242)		502,586
Special School / High Needs contingency budget										600,000
Current balance (under) / over										(97,414)

Position

The final 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 cumulative overspend of the DSG is now £5.825m

The projected cumulative outturn position at the end of 2021/2022 would be £9.059m

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.

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