TORBAY COUNCIL

Financial Report School Forum 5th May 2022 Introduction

The following report contains a detailed breakdown of the final outturn position of the Local Area for 2021/2022. 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 2021/2022
- Contextual information regarding Early Years Block
- Contextual information regarding Higher Needs Block
- Position and Recommendations

Final Outturn Position 2021/22

Dedicated Schools Grant (DSG) funded activities have overspent by £3.174m.

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

Budget Heading	Budget	Final Actuals	Over <mark>(Under)</mark> Spend	/
Early Years 2, 3 & 4 yr old payments – PVI's & Academies		£5.703m	£107k	
Estimated budget from ESFA for changes in Early Ye count dates	ars numbers	between pupil	(£98k)	
Early Years – ALFEY	£270k	£285k	£15k	
Early Years – Pupil Premium & Disability Access Fund	£128k	£82k	(£46k)	
Early Years – 5% retained element	£345k	£306k	(£39k)	
Joint Funded Placements	£550k	£527k	(£23k)	
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)	(£135k)	£115k	
Independent Special School Fees	£3.100m	£3.270m	£170k	
Other packages for EHCP pupils and SEND personal budgets	£1.401m	£1.591m	£190k	
Payments to / recoupment from other authorities for Special School places	(£260k)	(£223k)	£37k	
Medical Tuition Service / Virtual School / Hospital Tuition / Vulnerable Students Team	£1.500m	£1.390m	(£110k)	
School contingencies (Rates, planned pupil growth, NQT induction etc)	£308k	£309k	£1k	
EHCP in-year adjustments (see separate paper for details)	£340k	£885k	£545k	
Special Schools / High Needs in-year adjustments (see separate paper for details)	£600k	£515k	(£85k)	
School Intervention / Commissioning (includes School Improvement Grant)	£145k	£87k	(£58k)	
Business Support	£195k	£176k	(£19k)	

Other - including Admissions, EAL / Travellers,		(£117k)
Advisory Teachers, SEN contracts		
Deficit DSG budget set for 21/22	(£2.6m)	£2.6m
Total – Outturn Position 21/22		£3.174m

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 been checked and verified internally and cross-LA. A report has been generated through the DfE Collect system which enables a 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 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	83.68	401.23	178.20
	Total	344.18	1594.93	683.51

Please note that there is no report available from the DfE to provide actual data for the schools funding in Summer 2021 and Autumn 2021, therefore these figures have been calculated from headcount data. There is a small margin for error in processing the information this way.

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	344.18	10.31	£31,491.47
3YO U	1593.18	1594.93	1.75	£4,437.34
3YO ex	659	683.51	24.51	£62,036.23
				£97,965.04

The data shows that the Local Area could expect a positive adjustment of just under £98k. The budget is currently overspent by £107k.

This estimated adjustment figure has been included in the forecast outturn position data.

Overall, provided the adjustment figure is accurate, the EY budget for 2, 3 and 4 year olds is expected to be overspent in the region of £9k. **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.

Education, Health & Care Plan Funding for 20/21 & 21/22 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)84,656 Funding above £6k allocated as a top-up per eligible pupil 2,122,040 2,206,696 EHCP Contingency 350,000 340,000 (10,000) In-Year adjustments April 16,946 214,516 197,570 May (104)92,973 93,077 June (11,737)76,491 88,228 July 4,062 52,297 48,235 August 42,398 32,649 (9,749)September 115,109 281,701 166,592 October 72,833 43,591 (29, 242)43,590 November 50,539 (6,949)30,737 13,822 December 16,915 7,307 January (11, 583)(4,276) February 15,276 22,417 7,141 (1.973) March 0 (1,973) Total - In-Year adjustments 310.654 884.713 Total (underspend) / overspend 544,713 (39,346)

The most significant area of concern is the EHCP in year adjustments.

It is proposed that a further analysis of this budget area is brought back to School Forum to understand the profiling of this budget in detail. It is important that we understand if this is a covid impact or a significant onward trend that will need additional consideration, further profiling of expenditure and additional budgetary control measures.

Independent school fees have risen within the financial year. The opening of a new Independent School within the local area has placed new demand on this budget. The placement of a small number of children at this provision has been an additional spend within the year.

Bespoke packages of support for many children to re-enter education during the covid period there has been the requirement to provide additional support through bespoke arrangements. These arrangements have often been difficult to step down. In partnership with schools these arrangements now need to be re-considered ready for full re-entry to mainstream/special education from September 2022. The SEND team are reviewing all bespoke arrangements and will be contacting schools and SENDCO's to co-produce the re-integration plans.

The following table details the special school profile. This spend is in line with the budget.

	Combe Pafford	Combe Pafford	Mayfield	Mayfield	Mayfield	Brunel	Burton	B & B Total	Totals	Totals £
			School	Chestnut	Total	SEMH	AP			
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
		£	Pupils	Pupils	£	Pupils	Pupils	£		£
April	257	91,257	228	32	24,375	51	51	27,346	619	142,978
Мау	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	C
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	41	3,848	614	6,521
March	265	823	231	32	1,112	48	44	4,203	620	6,138
Total In -year pupil / place led adjustments		123,618			54,625			(87,064)		91,179
Enhanced Provision (in-year changes in pupil top-ups)										26,542
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
One-off - Teaching Assistant - Mayfield										4,500
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		179,824			251,141			(65,115)		514,895
Special School / High Needs contingency budget										600,000
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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 in year overspend of the DSG is £3.174m

The cumulative overspend of the DSG is now £8.999m

Recommendation and Decisions

It is requested that Schools Forum:

- 1. Note the financial position and continue to work with the Local Authority to address the spending profile.
- 2. School Forum engage with the Local Authority in the co-production and delivery of the recovery plan for the Safety Valve agreement.

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