

School Forum Financial Report

The following report contains a detailed breakdown of the financial position of the Local Area for 2018/2019.

The report enables members to note the outturn position and the significant factors contributing towards the spend. The report covers the following items;

- Forecast Outturn position 2018/19
- Contextual information regarding Early Years Block
- Contextual information regarding Higher Needs Block
- Contextual information regarding School Commissioning
- Position and recommendation

Forecast Outturn Position 2018/19

Dedicated Schools Grant (DSG) funded activities are currently forecast to **overspend by £2.657m**

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 18/19 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	£4.876m	£2.148m	£4.876m	£0
Early Years - ALFEY	£250k	£164k	£250k	£0
Early Years – Pupil Premium & Disability Access Fund	£129k	£39k	£112k	(£17)
Early Years – 5% retained element	£370k	£168k	£330k	(£40k)
Joint Funded Placements	£550k	£265k	£450k	(£100k)
Recovery of funding from Excluded Pupils	(£150k)	(£0)	(£150k)	(£0)
Independent Special School Fees	£2.720m	£1.134m	£2,620	(£100k)
Other packages for EHCP pupils / recoupment from other authorities	£355k	£164k	£605k	£250k
Medical Tuition Service / Virtual School / Hospital Tuition	£1.152m	£508k	£1.137m	(£15k)
School contingencies (Rates, planned pupil growth, NQT induction etc)	£291k	£117k	£291k	£0
EHCP in-year adjustments (see separate paper for details)	£330k	£371k	£469k	£139k
Special Schools / High Needs in-year adjustments (see separate paper for details)	£514k	£735k	£914k	£400k
School Intervention / Commissioning (includes School Improvement Grant)	£209k	£32k	£149k	(£60k)
Required contribution from reserves in 18/19 to set a balanced budget	(£2.2m)	£0	£0	£2.2m

Early Years Block Overview

The take up of all statutory offers within Early Years is in line with UK National and Statistical Neighbours.

2 year old offer	70% (at end of Summer 2018)
3 and 4 year old 15 hours	99%
3 and 4 year old 30 hours offer	95% (forecast for Autumn 2018) <i>(average take up 23 hours)</i>

The take up rates are in line with the anticipated budget allocation for the period April to September 2018. However Members should treat this position statement with caution as the demand can fluctuate and any adjustment figure from the DFE remains difficult to predict.

The ALFEY positional continues to be monitored closely by a joint panel of Officers and Providers. The current trajectory is based on anticipated levels of need continuing at the same rate as current demand.

Officers remain mindful of monitoring the Early Years funding position, to ensure detailed reports can be tabled at Forum for the allocation of any surplus funds.

Joint Funded Placements

There remains a number of children that require specialist provision to meet both their social care and education needs. The close scrutiny of decision making by the Assistant Director of Education and Assistant Director of Safeguarding continues to ensure that placements and their costs are scrutinised.

The current trajectory is based on pupils already in the system. Schools Forum should note that this is a volatile area and new children could require a joint funded placement.

Higher needs Overview

Torbay continues to have a greater number of children requiring additional support up to and including a special school place than funds available in the Higher Needs Block can meet. The demand pressures in the great majority of schools and/or that children are assessed for an Education Health and Care Plan (EHCP).

The Highers Needs Group and Schools Forum have undertaken work to identify high cost areas and potential mechanisms for change. This has been launched and is out for Public consultation.

One of the key drivers for overspend is the EHCP in year adjustments for additional funds above the £6,000 allocated to the schools.

The following table outlines the "Element 3' spend to date.

School Intervention/Commissioning

Schools in Torbay continue to perform well with few schools needing intervention funds due to Ofsted categories.

The Local Authority continue to manage the staffing budgets effectively and work within the allocated window.

The underspend in School Intervention and Commissioning will enable the actions agreed by Schools Forum to take place; enabling each school to have an SEND audit and training.

Position

The projected out-turn position of the Local Area continues to be of a significant concern. The projected out-turn position has increased from June 2018, based on actual pupil numbers.

Recommendations

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 create a financial recovery plan

Rachael Williams
Assistant Director of Education, Learning and Skills