

Introduction

The following report contains a detailed breakdown of the financial 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 2020/2021
- Contextual information regarding Early Years Block
- Contextual information regarding Higher Needs Block
- Position and Recommendations

Forecast Outturn Position 2020/21 – Forum 11th June 20

Dedicated Schools Grant (DSG) funded activities are currently forecast to **overspend by £2.2m**

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 20/21 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 & Academies	£6.070m	£1.131m	£6.070m	£0
Early Years – ALFEY	£265k	£106k	£265k	£0
Early Years – Pupil Premium & Disability Access Fund	£130k	£2k	£105k	(£25k)
Early Years – 5% retained element	£364k	£45k	£360k	(£4)
Joint Funded Placements	£600k	£171k	£600k	
Recovery of funding from schools for Excluded Pupils, Medical Tuition Service and Elective Home Education	(£386k)	(£0)	(£286k)	£100k
Independent Special School Fees	£2.685m	£614k	£2.685m	£0
Other packages for EHCP pupils and SEND personal budgets	£1.077m	£149k	£1,197m	£120k
Payments to / recoupment from other authorities for Special School places	(£230k)	(£9k)	(£230k)	£0
Medical Tuition Service / Virtual School / Hospital Tuition / Vulnerable Students Team	£1.390m	£212k	£1.348m	(£42k)
School contingencies (Rates, planned pupil growth, NQT induction etc)	£261k	£63k	£239k	(£22k)
EHCP in-year adjustments (see separate paper for details)	£350k	£17k	£245k	(£105k)
Special Schools / High Needs in-year adjustments (see separate paper for details)	£600k	£273k	£600k	£0
School Intervention / Commissioning (includes School Improvement Grant)	£142k	£7k	£142k	£0
Business Support	£188k	£28k	£177k	(£11k)
Other – including Admissions, EAL, Advisory Teachers				(£11k)
Deficit DSG budget set for 20/21	(£2.2m)	£0	£0	£2.2m

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

Early Years Block

The annual adjustment for Early Years Funding has not been received. When this information is provided we will ensure that this is brought back to the Forum. At this stage we are not predicting an over/under spend position on the block as we will use census information to determine the likely projection.

During Covid 19 the use of the Early Years Block has been debated and there has been a recent announcement on the ability to use funds within the block to move money between providers. As a Local Authority we have supported settings to continue to receive funds, to ensure that a strong position of sufficiency is maintained post Covid 19. It is appropriate for School Forum to note that the Early Years system has been heavily impacted by Covid 19 as there has been no ability to secure external income through parental fees or charges.

The Early Years Team continue to review this block and will bring forward any changes proposed for approval at Forum level.

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. 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 work to consider the allocation of funds above £6k is starting to have an impact. We are also noting the impact on Covid 19 within the budget as work has been delayed to review and issue plans. The following table provides the most up to date information, but Forum will need to monitor this closely as systems and processes begin to emerge post Covid 19.

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)	(2,510)	0
June	21,302	21,302	0
July	12,688	12,688	0
August	4,248	4,248	0
September	84,471	84,471	0
October	32,871	32,871	0
November	24,573	24,573	0
December	35,172	35,172	0
January	9,789	9,789	0
February	5,291	5,291	0
March	591	591	0
Total - In-Year adjustments	317,523	245,432	
Projected (underspend) / overspend	(182,477)	(104,568)	
Notes			
Based on Apr 20 adjustments, and the same allocation for the remainder of the financial year as 19/20, it is anticipated the EHCP contingency will underspend by			(104,568)

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

Special School and other High Needs funding adjustments for 20/21										
	Combe Pafford	Combe Pafford	Mayfield School	Mayfield Chestnut	Mayfield Total	Brunel SEMH	Burton AP	B & B Total	Totals	Totals £
Number of places - January 20	252		217	33	250	56	50	106.00	608.00	
Number of pupils - January 20	248		216	33	249	47	60	107.00	604.00	
Number of places - September 20	262		231	32	263	56	55	111.00	636.00	
Initial Place led funding		2,578,333			2,575,833	560,000	529,167	1,089,167		6,243,333
Initial Pupil led funding		981,746			2,315,603	680,090	634,380	1,314,470		4,611,819
Initial pupil specific additional funding		25,362			54,176	51,967	0	51,967		131,505
Other funding - Outreach / exclusions / rent					235,921			0		235,921
Pupil Premium		153,025			152,205	62,553		62,553		367,783
Total initial funding		3,738,466			5,333,738	1,354,610	1,163,547	2,518,157		11,590,361
In-Year adjustments	Pupils	Funding £	Mayfield Pupils	Chestnut Pupils	Funding £	SEMh Pupils	AP Pupils	Funding £	Pupils	Funding £
April	248	22,645	216	34	15,691	49	64	182,065	611	220,401
May	248	0	216	34	0	50	63	3,572	611	3,572
June									0	0
July									0	0
August									0	0
September									0	0
October									0	0
November									0	0
December									0	0
January									0	0
February									0	0
March									0	0
Total In -year pupil / place led adjustments		22,645			15,691			185,637		223,973
Enhanced Provision (in-year changes in pupil numbers)										11,773
In-year pupil specific additional funding		3,940			19,740			13,771		37,451
Total - In-Year adjustments		26,585			35,431			199,408		273,197
Special School / High Needs contingency budget										600,000
Adjustment from ESFA - Import / Export of HN Pupils between LA's										
Total Funding Available										600,000
Current (underspend) / overspend										(326,803)

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 £3.778m

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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