# TORBAY COUNCIL

# Financial Report 8<sup>th</sup> October 2020

### 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

Dedicated Schools Grant (DSG) funded activities are currently forecast to **overspend by £2.109m.** 

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 / <mark>(Under)</mark> Spend	
Early Years 2, 3 & 4 yr old payments – PVI's & Academies	£5.604m	£2.610m	£5.604m	£0	
Early Years – ALFEY	£265k	£178k	£265k	£0	
Early Years – Pupil Premium & Disability Access Fund	£130k	£36k	£110k	(£20k)	
Early Years – 5% retained element	£364k	£138k	£357k	(£7k)	
Reclaim from ESFA of Early Years pupil no. adjustments between Jan 19 and Jan 20 higher than anticipated.				£45k	
Joint Funded Placements	£600k	£383k	£575k	(£25k)	
Recovery of funding from schools for Excluded Pupils, Medical Tuition Service and Elective Home Education	(£386k)	(£29k)	(£120k)	£266k	
Independent Special School Fees	£2.685m	£904k	£2.585m	(£100k)	
Other packages for EHCP pupils and SEND personal budgets	£1.077m	£378k	£1.120m	£43k	
Payments to / recoupment from other authorities for Special School places	(£230k)	(£4k)	(£177k)	£53k	
Medical Tuition Service / Virtual School / Hospital Tuition / Vulnerable Students Team	£1.404m	£665k	£1.354m	(£50k)	
School contingencies (Rates, planned pupil growth, NQT induction etc)	£261k	£84k	£216k	(£45k)	
EHCP in-year adjustments (see separate paper for details)	£350k	£52k	£244k	(£106k)	
Special Schools / High Needs in-year adjustments (see separate paper for details)	£600k	£528k	£675k	£75k	

School Intervention / Commissioning (includes	£142k	£32k	£142k	£0
School Improvement Grant)				
Business Support	£190k	£84k	£170k	(£20k)
Other – including Admissions, EAL /				(£31k)
Travellers, Advisory Teachers				
Delay in opening of St Michael's Primary, no				(£217k)
ESFA recoupment of funds in 20/21.				
High Needs in-year pupil number adjustment-				£48k
Net import of pupils from other authorities				
reduced from 103 to 95 pupils				
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 Early Years sector continue to be under significant pressure. Although they have been guaranteed Early Years Entitlement Funding (EY-DSG) they have been impacted significantly on the private income that can be achieved. For many parents there has not been the need or desire to return their children to full time early years provision due to their own change in circumstances.

The announcements from the Department for Education put mitigations in place for the Autumn Term but there are no further decisions that have been taken for the spring and summer terms. The impact of this will not be fully understood until the early years census and headcount information takes place.

The Local Authority are in receipt of the adjustment figure from the previous year. The adjustment figure by the DFE clawed back an additional £45k than had been calculated.

### **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 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.

	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	84,471	C
October	32,871	32,871	C
November	24,573	24,573	C
December	35,172	35,172	C
January	9,789	9,789	C
February	5,291	5,291	C
March	591	591	C
Total - In-Year adjustments	317,523	244,323	
Projected (underspend) / overspend	(182,477)	(105,677)	
Notes			
Based on Apr 20 to Aug 20 in-yr adjustments, and the same allocatio	n for the remainder of t	the	
financial year as 19/20, it is anticipated the EHCP contingency will ur	(105,677)		

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

	Combe	Combo	Marialia	Marifield			Burton			Totals
		Combe	Mayfield	Mayfield	Mayfield	Brunel SEMH		B & B	Totals	
	Pafford	Pafford	School	Chestnut	Total	SEMH	AP	Total		£
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		, i i i i i i i i i i i i i i i i i i i			235,921	, i i i i i i i i i i i i i i i i i i i		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	Chestnut	Funding	SEMH	AP	Funding	Pupils	Funding
		£	Pupils	Pupils	£	Pupils	Pupils	£		£
April	248	22,645	216	34	15,691	49	64	182,065	611	220,401
Мау	248	0	216	34	0	50	63	3,572	611	3,572
June	248	4,607	216	34	0	51	65	38,013	614	42,620
July	248	0	215	34	(10,285)	53	50	(97,241)	600	(107,526
August	248	0	215	34	0	53	50	0	600	(
September	258	38,944	227	31	37,741	49	43	(76,936)	608	(251)
October									0	(
November									0	(
December									0	(
January									0	(
February									0	(
March									0	(
Total In -year pupil / place led adjustments		66,196			43,147			49,473		158,816
Enhanced Provision (in-year changes in pupil numbers)										20,537
Excluded Pupils / 6th Day Provision Mayfield (Sept - Dec)										38,000
Excluded Pupils / 6th Day Provision Mayfield or other provis	ion (Jan - Mar)									28,500
In-year pupil specific additional funding		48,112			132,327			102,001		282,440
Total - In-Year adjustments		114,308			175,474			151,474		528,293
Special School / High Needs contingency budget										600,000
Current (underspend) / overspend										(71,707

# 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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