

WIRRAL COUNCIL

SCHOOLS FORUM – 6th OCTOBER 2022

REPORT OF THE DIRECTOR OF CHILDREN, FAMILIES AND EDUCATION

SCHOOLS BUDGET VARIATIONS 2022-23

1.0 EXECUTIVE SUMMARY

1.1 The purpose of this report is to provide an overview of the anticipated variations for the current year 2022-23 schools budget.

2.0 2022-23 SCHOOLS BUDGET

2.1 Overall the schools budget is forecast to overspend by £1.904 which is mainly due to pressure in the High Needs Block. This reflects an increase in the overspend of £1.7m from the position reported at the June 2022 meeting. The table below summaries the outturn position by funding block and a more detailed analysis is attached in Appendix 1.

	2022-23 Budget £	2022-23 Forecast £	2022-23 Variation Under/-Over spend £
Schools Block	119,142,322	119,142,322	0
Schools Block de-delegated	1,819,643	1,801,936	17,707
Central School Services Block	3,579,849	3,533,583	46,266
High Needs	52,379,430	54,366,448	-1,987,018
Early Years	20,183,630	20,198,430	-14,800
DSG Grant Income	-195,355,485	-195,389,569	34,084
Total before contribution to/-from Reserve	1,749,389	3,653,150	-1,903,761
Movement on DSG Reserve	-289,889	-2,193,650	1,903,761
Total after contribution to/-from Reserve	1,459,500	1,459,500	0

Cumulative reserve balance b/fwd from 2020-21	-1,690,030
In-year contribution to/-use of reserve	-2,193,650
Cumulative reserve balance c/fwd to 2022-23	-3,883,680

2.2 The 2021-22 financial year closed with a Dedicated Schools Grant (DSG) reserve cumulative deficit position of £1.690m. The current forecast outturn position means that the year-end addition to reserve balance will be increased to £2.194m thus delivering a cumulative £3.884m deficit position at the end of 2022-23.

3.0 2022-23 BUDGET

3.1 There have been no changes to the budget since the position reported at the June 2022 meeting.

4.0 2022-23 FORECAST BUDGET VARIATIONS

The budget variations that make up the £1.904m overspend are identified in the table attached in Appendix 1. The reasons for the variations as well as comments on specific budget areas are given below.

4.1 Special Schools £194K adverse

The budget includes additional places to address demand, and as reported at June 2022 meeting, the anticipated increase in number of places will exceed the budget set aside for 2022-23. The forecast reflects the allocation of additional 155 places on a temporary basis from September 2022. The final number of the places to be allocated to the special schools might increase further depending on the demand.

4.2 SEN Bases £8K adverse

An overspend position of £8k is due to the base project – it has created additional 36 base places in 3 schools from September 22 and additional 20 places in 2 schools from January 23.

4.3 Early Years £15k adverse

The forecast position assumes that the take-up of 2- and 3–4-year-old provision will be in line with planned activity. The position will be monitored during the year as more information becomes available. The in-year overspend relates to the Disability Access Fund ring-fenced funding which is confirmed £14,800 more than the figure included in the budget - £116,800 for 2022-23.

4.4 Schools Block de-delegated £17.7k Favorable

A small favorable variance related to the insurance costs which is forecasted to be the same level of as the past years.

4.5 Central School Costs £46K favorable

- Admissions - £15k favorable variance due to staff costs.
- Schools Forum - £5k favourable. Although there is no formal spend plan for this budget at this time, it is expected that a return to face to face meetings later in the year will incur meeting related costs.
- Contingency - £25.4k favourable. No potential calls on this contingency have been identified at this time.

4.6 Special Education Needs - Additional resources £900k adverse

Demand on this budget is expected to grow in line with the requests for Education, Health and Care Plan (EHCP) assessments. Requests increased by around 28% in the period to August 22 compared to last year. Not all the requests will result in a financial outcome, but it is expected that a significant portion will result in Units of Resource being awarded and this will result in an overspend of £720k for Primary school pupils and £254k for Secondary school pupils. Currently additional EHCP Coordinators are engaged to address the backlog of the outstanding assessment and the number of EHCP issued has been significantly increased. The total number of the EHCP issued in the period between April to August 22 is 364, compared with 373 issued in 2021-22.

The position will be monitored closely, and the forecast position re-assessed as more up-to-date information becomes available.

4.7 Special Education Needs – Top Ups £523k Favourable

The table below analyses the forecast position across the various activities that form the overall Top-Ups budget.

	Budget	Forecast	Variation Under/-Over spend
	£	£	£
Top-Ups for Maintained Special Schools	9,625,088	9,257,504	367,584
Top-Ups for Resourced Provision	2,217,681	2,094,264	123,417
Alternative Provision	1,318,200	1,318,200	0
FE & 6th Form Top-Ups	2,225,000	2,426,668	-201,668
Additional Nursing Support	160,000	160,000	0
Exceptional Needs	1,390,500	1,158,108	232,392
Total	16,936,469	16,414,744	521,725

Whilst the budget is forecasted as an underspend in 22-23, the forecasted expenditure is £1.49m higher than the total expenditure in 21-22. The budget has been increased significantly in 22-23 reflecting the increase in demand.

The need for this budget will be increased according to the increase in the number of places in the special schools and SEN bases. The position will be monitored closely, and the forecast position re-assessed accordingly.

4.8 Independent Special Schools £0.946m adverse

The demand continues to increase more than anticipated and forecasted to be an overspend of £946k despite the budget has been increased in 22-23.

The current forecast for 22-23 is based on 158 pupils and total forecasted expenditure is £7.996m. 21-22 saw a significant increase in the number of pupils in the independent special schools – 97 pupils at April 21 increased to 140 at the end of March 2022.

4.9 Support for SEN £12.5k favourable

There are several activities and services that are delivered by this budget including Hearing and Vision, Communication Differences, Vulnerable Children, Pre School Portage and Physical/Medical Impairment and all are expected to be delivered within the overall 2022-23 budget with a small underspend.

4.10 Dedicated Schools Grant £34k favourable

The favorable variance relates to the following adjustments:

- High Needs Recoupment £5,833
- High Needs Import Export £6,000
- Early Years 21-22 grant adjustment £7,451
- DAF allocation adjustment £14,800

5.0 RECOMMENDATIONS

- 5.1 That the Forum notes the report and the forecast financial position of the Schools Budget for 2022-23.

Simone White

Director of Children, Families and Education

Appendix 1 - Budget Variations 2022-23

	2022-23 Budget	2022-23 Forecast	2022-23 Variation
Individual Schools Budget			
Primary	96,718,989	96,718,989	0
Secondary	22,291,955	22,291,955	0
Special	13,411,216	13,605,585	-194,369
Wirral Hospitals School	1,589,422	1,589,422	0
SEN Bases	1,112,565	1,120,677	-8,112
Sixth Form/Further Education	268,000	268,000	0
Early Years	19,199,369	19,214,169	-14,800
Growth and Falling Rolls Fund	131,378	131,378	0
Individual Schools Budget Total	154,722,894	154,940,175	-217,281
Central School Costs			
Early Years Costs	534,261	534,261	0
Admissions	388,009	372,674	15,335
School Redundancy Costs	76,000	75,803	197
Licenses and subscriptions	259,856	259,856	0
Schools Forum	10,600	5,300	5,300
Contingency	25,434	0	25,434
Contribution to combined budgets	630,450	630,450	0
PFI Affordability Gap	1,459,500	1,459,500	0
Retained duties Central (ex-ESG)	730,000	730,000	0
Costs delegated to/de-delegated from schools			
Library Service	183,783	183,783	0
Insurances	24,909	7,202	17,707
School Specific contingencies	31,245	31,245	0
Special Staff Costs	785,478	785,478	0
Behaviour Support	142,131	142,131	0
School Improvement	149,999	149,999	0
Retained duties de-delegated (ex-ESG)	502,098	502,098	0
High Needs Pupils			
Additional resources	9,665,491	10,565,928	-900,437
SEN top-ups	16,936,469	16,414,744	521,725
High Needs contingency	561,104	1,033,740	-472,636
Independent Special Schools	6,734,980	7,680,623	-945,643
Home Tuition	364,166	364,166	0
Support for SEN	2,127,817	2,115,363	12,454
Special School Transport	58,200	58,200	0
Non-delegated school costs Total	42,381,980	44,102,544	-1,720,564
Total Costs	197,104,874	199,042,719	-1,937,845
Funding			
Dedicated School Grant	-195,355,485	-195,389,569	34,084
Total before Movement in DSG Reserve	1,749,389	3,653,150	-1,903,761
Contribution to/-from DSG Reserve	-289,889	-2,193,650	1,903,761
Grand Total	1,459,500	1,459,500	0