

WIRRAL COUNCIL

SCHOOLS FORUM – 17th JANUAR 2023

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 £3.377m which is mainly due to pressure in the High Needs Block. This reflects an increase in the overspend of £0.402m from the position reported at the November 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	3,531,413	48,436
High Needs	52,379,430	55,776,114	-3,396,684
Early Years	20,183,630	20,263,782	-80,152
DSG Grant Income	-195,355,485	-195,389,569	34,084
Total before contribution to/-from Reserve	1,749,389	5,125,999	-3,376,610
Movement on DSG Reserve	-289,889	-3,666,499	3,376,610
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	-3,666,499
Cumulative reserve balance c/fwd to 2023-24	-5,356,529

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 £3.667m thus delivering a cumulative £5.357m 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 £3.377m overspend are identified in the table attached Appendix 1. The reasons for the variations as well as comments on specific budget areas are given below.

4.1 Special Schools £166K 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 157 places on a temporary basis from September 2022. The final number of places to be allocated to the special schools might increase further depending on the demand.

4.2 SEN Bases £135K favourable

A favourable variance has been slightly increased from the position reported at the November 22 meeting of £121k due to an adjustment to the allocation to the SEN Base project. Additional base places created with the project are 24 places in 2 schools from September 22 and additional 13 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 (DAF) 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 favourable

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 £48.4K favourable

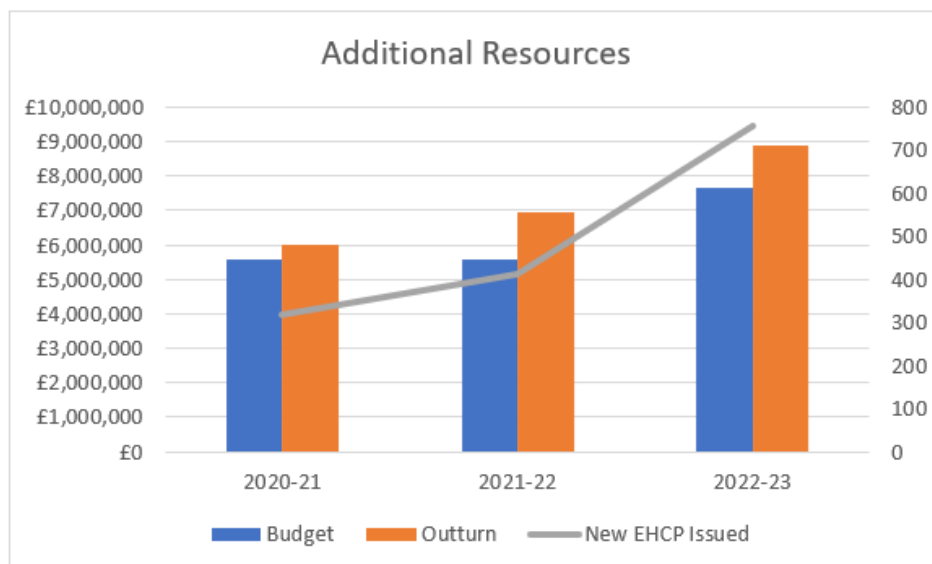
- Admissions - £15k favorable variance due to staff costs.
- Schools Forum - £2.5k favourable. There is no formal spend plan for this budget at this time and anticipated fully underspend, however two more meetings in this financial year including the January 23, it is forecasted a small amount to be spent by the end of March 23.
- Contingency - £25.4k favourable. No potential calls on this contingency have been identified at this time.

4.6 Special Education Needs - Additional resources £1.032m adverse

Demand on this budget keeps growing in line with the requests for Education, Health and Care Plan (EHCP) assessments. Requests increased by around 38 % in the period to December 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 £873k

for Primary school pupils and £368k 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 significantly increased. The total number of the EHCP issued in the period between April to December 22 is 607, compared with 414 issued in 2021-22.

The graph is the comparison of the budget, outturn/forecasted outturn, and numbers of the new EHCP issued /forecasted to be issued.



	Budget	Outturn	New EHCP Issued
2020-21	£5,567,200	£6,021,938	318
2021-22	£5,567,200	£6,952,272	414
2022-23	£7,653,857	£8,904,554	757

Please note the outturn and EHCP number for 2022-23 are forecasted figures.

4.7 Special Education Needs – Top Ups £567k Adverse

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	9,863,216	-238,128
Top-Ups for Resourced Provision	2,217,681	2,034,764	182,917
Alternative Provision	1,318,200	1,318,200	-0
FE & 6th Form Top-Ups	2,225,000	2,579,787	-354,787
Additional Nursing Support	160,000	131,765	28,236
Exceptional Needs	1,390,500	1,574,420	-183,920
Total	16,936,469	17,502,152	-565,683

An underspend position of £99k was reported at the November 22 meeting, however, the forecast is revised to be £567k overspend. The movement is due to the increased allocation of Exceptional Need and the top up costs at the special schools and Resourced Provisions (Bases).

The need for the top up budget has increased according to the increase in the number of places in the special schools and Resourced Provisions (Bases). The costs for the new academic year were understated in the previous forecast, and the forecast for this period has been adjusted based on the October census.

4.8 Independent Special Schools £1.512m adverse

The demand continues to increase more than anticipated and this budget is forecasted to be an overspend of £1.512m despite the budget has been increased in 22-23.

4.9 Support for SEN £47k 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	13,577,252	-166,036
Wirral Hospitals School	1,589,422	1,589,422	0
SEN Bases	1,112,565	991,639	120,926
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	154,782,804	-59,910
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	10,944,870	-1,279,379
SEN top-ups	16,936,469	16,837,881	98,588
High Needs contingency	561,104	1,055,536	-494,432
Independent Special Schools	6,734,980	8,141,456	-1,406,476
Home Tuition	364,166	364,166	-0
Support for SEN	2,127,817	2,058,636	69,181
Special School Transport	58,200	58,200	0
Non-delegated school costs Total	42,381,980	45,330,525	-2,948,545
Total Costs	197,104,874	200,113,328	-3,008,454
Funding			
Dedicated School Grant	-195,355,485	-195,389,569	34,084
Total before Movement in DSG Reserve	1,749,389	4,723,759	-2,974,370
Contribution to/-from DSG Reserve	-289,889	-3,264,259	2,974,370
Grand Total	1,459,500	1,459,500	0