

Bristol Schools Forum
DSG Budget Monitor 2020/21 P7

Date of meeting:	24 November 2020
Time of meeting:	5.00 pm
Venue:	Virtual meeting

1 Purpose of report

- 1.1 This report provides information of the forecast financial position for the DSG overall as at Period 7 (to end October 2020).

2 Recommendation

2.1 Schools Forum is invited to:

- a) note the in-year 2020/21 position for the overall DSG.**

3 Background

- 3.1 At the September meeting Schools Forum was presented with a budget monitor reporting the position as at Period 4 (end of July). At this point the forecast overall carry forward position was a deficit of £6.078m.
- 3.2 The report updates Schools Forum on the position at Period 7 (end of October) 2020/21.

4 Budget monitoring 2020/21

- 4.1 The previously reported position in September was a forecast £3.186m in-year deficit on the Dedicated Schools Grant budget at Period 4 2020/21.
- 4.2 This position has moved adversely by £4.827m giving a forecast in-year deficit of £8.013m, adding this to the brought forward balance gives a forecast carry forward deficit of £10.904m. The main area for concern continues to be the High Needs block which is forecasting an overspend in-year of £7.648m. The Period 7 position is set out in **Table 1** with more detail set out in **Appendix 1**.

Table 1: Forecast position on overall DSG for 2020/21 at Period 7 (October 2020)

<i>All figures £'000</i>	<i>b/f</i>	<i>DSG Funding 2020/21</i>	<i>Forecast Outturn Period 07 2020/21</i>	<i>In-year variance</i>	<i>Forecast Carry-forward Period 07 2020/21</i>	<i>Forecast Carry-forward Period 04 2020/21</i>	<i>Movement Period 04 to Period 07</i>
Schools Block	(174)	272,492	272,492	0	(174)	0	0
De-delegation	(464)	0	0	0	(464)	0	0
Schools Central Block		2,386	2,385	0	0	0	0
Early Years	20	37,119	37,484	365	385	92	273
High Needs Block	3,509	62,511	70,160	7,648	11,157	3,094	4,554
Funding		(374,508)	(374,508)	0	0	0	0
Total	2,892	0	8,013	8,013	10,904	3,186	4,827

- 4.3 **Schools Block (Nil variance).** All of the formula funding for maintained schools and academies has been allocated. The only scope for variation is in the growth fund. Spend on the growth fund will depend on the pupil number information included on the October 2020 pupil census, any variation will be calculated and reported following receipt of this data.
- 4.4 **De-delegated resources (Nil variance).** At this stage of the year it is anticipated that this will be in a balanced position. Any variance will be carried forwards to future years.
- 4.5 **School Central Services Block (Nil Variance).** It is expected that all of the services in this block will spend to budget.
- 4.6 **Early Years Block (£0.365m forecast overspend).** The Early Years DSG income is based on 5/12ths of the January 2020 census and 7/12ths of the January 2021 census. In 2019/20 the participation levels generated a balanced budget (with the overspend last year in the block being the agreed expenditure to utilise the carried forward surplus). Similar participation levels in 2020/21 should once again lead to a balanced position.
- 4.7 The area in the block experiencing the most pressure at the moment is emerging High Needs, the current overspend in this area is £0.351m.
- 4.8 **High Needs Block (£7.648m forecast overspend).** The High Needs block is forecasting a significant in-year overspend of £7.648m at this stage of the year.

- 4.9 Top-up funding is experiencing the biggest pressure, with a significant increase from 2019/20. The current forecast is £7.034m over budget. As this is the area experiencing the most pressure further analysis of the numbers and spend has been carried out and this is presented in Appendix 2.
- 4.10 The table in Appendix 2 looks at the numbers of top-ups at the start of last year, the beginning of this financial year and also the latest period, by setting and top-up band. Monthly costs are shown for each band as well as a full year cost of the increase in top-ups from April 2019 to present. The increase of round £7m is in line with the current overspend in this area.
- 4.11 For top-ups in Special Schools it can be seen there is an increase of 118 top-ups, the annual impact of this is £3.4m. What the data is showing is a movement up the banding levels, with a reduction at Band 3 and 4, but an increase in Bands 5, 6 and 7. The increase of 45 at Band 3 costs an extra £1m per year and the increase of 7 at Band 7 costs £1.4m.
- 4.12 Mainstream Schools have seen an increase of 395 pupils with top-up payments, the annual impact of this is £3.6m. The increase of 188 at Band 4 is the most significant adding £2m to the annual cost, £0.9m has also been added by the increase of 128 pupils at Band 3.
- 4.13 GFE (General Further Education) settings have also seen a significant rise in both student numbers and cost, Table 2 shows the forecast for 2020/21 alongside the previous 2 financial years. The number of students has increased by over 100 in this financial year as well as average top-up rates increasing. The cost is increasing at the rate of £1m per year.

Table 2: GFE (General Further Education) top-up and cost

	18/19 Financial year	18/19 Financial Year pupil No.s	18/19 Average topup	19/20 Financial Year	19/20 Financial year Pupil No.s	19/20 Average topup	20/21 Financial Year	20/21 Financial year Pupil No.s	20/21 Average topup
	£'000	number	£	£'000	number	£	£'000	number	£
GFE total	1,831	443	4,137	2,674	480	5,572	3,784	586	6,454

- 4.14 Further data explaining the increases is provided in Appendix 3.
- 4.15 Following agreement of Forum, the amount transferred from the Schools Block in 2020/21 is being used to contribute towards the Education

Transformation Programme. We are currently forecasting that this funding of £1.3m will be spent in 2020/21.

- 4.16 The Education Transformation Programme commenced this year and is primarily concerned with SEN and consequently the High Needs Block, this will need to reduce future cost pressures in the block and make it more sustainable. Nationally High Needs continues to be challenging and in Bristol this has been exacerbated by work to clear the backlog of EHCP. Further detailed activity review & analysis has started to ensure planning is robust and sufficient resources are available to meet needs, and we will continue to lobby government for a more sustainable funding settlement.
- 4.17 **Funding (Nil Variance).** £374.508m is the latest DSG amount notified by the ESFA, this includes the first adjustments for the High Needs Import/Export adjustment and a slight adjustment in Early Years reflecting the final year-end actual position.

**Appendix 1 - Forecast position for Overall DSG 2020/21 as at Period 7
(Block financing position)**

	Brought forward 1.4.20 £'000	Funding 2020/21 £'000	Forecast Outturn Period 07 2020/21 £'000	In-year movement £'000	Carry forward 31.3.21 £'000	P4 Variance £'000	Movement P4 to P7 £'000
Maintained Schools		78,340	78,340				
Academy Recoupment		191,439	191,439				
Growth Fund		2,712	2,712				
Schools Block	(174)	272,492	272,492		(174)		
De-delegation Services	(464)				(464)		
Admissions		494	494				
Centrally Retained		1,891	1,891				
Schools Central Services		2,385	2,385				
National Formula		29,269	29,305	37		(58)	95
2 Year Old Funding		3,448	3,448				
Pupil Premium (EYPP)		538	538				
Additional Support Services		805	805				
SEN Top up		1,275	1,625	351		200	151
Staffing		1,680	1,658	(23)		(50)	27
Disability Access Fund		105	105				
Early Years Block	20	37,119	37,484	365	385	92	273
Commissioned Services		2,301	2,803	502		52	450
Core Place Funding		10,302	10,216	(87)		(87)	
Staffing		1,160	1,175	14		182	(167)
Top Up		27,950	34,978	7,028		2,718	4,309
Placements		9,044	9,288	244		301	(57)
Pupil Support		814	763	(51)		(56)	5
HOPE Virtual School		236	233	(3)		(16)	14
Academy Recoupment		9,335	9,335				
Education Transformation		1,369	1,369				
High Needs Block	3,509	62,511	70,160	7,648	11,157	3,094	4,554
Funding		(374,508)	(374,508)				
Total	2,892	0	8,013	8,013	10,904	3,186	4,827

Appendix 2: Top-up numbers and cost

School Type	Band	Average Band rate pa	April 2019		April 2020		October 2020		Increase Apr 2019-Oct 2020		
			Number	Monthly cost	Number	Monthly cost	Number	Monthly cost	Number	Monthly Cost	Annual Cost
		£		£'000		£'000		£'000		£'000	£'000
Special Schools	BAND_1	2330	0		0		1		1		2
	BAND_3	9503	321	249	300	232	306	243	-15	(6)	(75)
	BAND_4	14959	243	304	248	304	233	290	-10	(14)	(169)
	BAND_5	23083	175	335	202	386	220	422	45	87	1,040
	BAND_6	33050	16	41	21	59	31	85	15	44	527
	BAND_7	55623	25	111	34	159	49	225	24	115	1,376
	VEN1	12602	65	68	97	94	115	120	50	52	625
	VEN2	15500	1	2	2	3	2	3	1	1	13
	VEN3	24000	17	34	22	44	22	44	5	10	120
	VEN4	38000	0		2	6	2	6	2	6	76
Other	n/a		186		175		175		(12)	(139)	
Total			863	1,330	928	1,463	981	1,613	118	283	3,394
Bristol Pupils in OLA	BAND_3	4755	0		2	1	5	2	5	2	24
	BAND_4	10000	0		0		1	1	1	1	10
	OOA	n/a	146	135	149	142	145	142	-1	7	83
	Total		146	135	151	143	151	145	5	10	117
Resources bases	BAND_1	2460	5	1	2		2		-3	(1)	(7)
	BAND_2	4910	27	11	23	9	16	7	-11	(5)	(54)
	BAND_3	9830	116	94	130	105	130	105	14	11	131
	BAND_4	14139	11	13	13	16	13	16	2	3	33
	BAND_5	21539	2	4	5	9	5	9	3	5	59
	BAND_7	14343	1	1	0		0		-1	(1)	(6)
	Other	n/a				1					1
Total			162	124	173	142	166	137	4	13	157
Mainstream	BAND_2	977	137	10	138	11	171	14	34	4	45
	BAND_3	4237	538	160	638	224	666	234	128	74	892
	BAND_4	9029	175	98	293	213	363	273	188	175	2,097
	BAND_5	13661	10	9	25	28	43	50	33	41	491
	BAND_6	22204	2	2	11	19	17	32	15	30	359
	BAND_7	18803	9	11	7	10	6	11	-3	(1)	(3)
	Other	n/a		32		15		10		(22)	(263)
Total			871	323	1112	520	1266	625	395	301	3,617
PRUs	BAND_3	9199	126	94	123	83	64	48	-62	(46)	(551)
	BAND_4	10593	1		18	14	13	12	12	11	138
	BAND_5	16120	3	1	16	22	14	19	11	17	205
	BAND_6	25793	0		3	4	3	6	3	6	73
	BAND_7	52928	4	14	2	9	3	13	-1	(1)	(14)
	Other	n/a				2		6		6	72
Total			134	110	162	134	97	103	-37	(6)	(76)
Overall total			2176	2,022	2526	2,402	2661	2,623	485	601	7,209

Appendix 3 : Explanation of top-up (Element 3) increases

There are a number of drivers impacting the increasing demand and cost for SEND. Much of the Education Transformation Programme is focused on increasing statutory compliance and system reform. A key element to this reform is ensuring the system is fully inclusive and identifies emerging needs and targets support earlier. However, a significant amount of current resource is focused on the improvements in the Education, Health and Care Plan (EHCP) system.

Details in this appendix, demonstrates the rise in requests and significant increase in the number of plans finalised since last year.

Further analysis is underway to fully understand what is driving the rise in costs elsewhere in the system, e.g. Top Up funding without an EHCP.

Increase in demand for EHCPs

New Requests for an EHC Needs Assessment Received

- **2019 and 2020 (January to September)**

In 2020 the number of **new requests received between January and September** for an EHC Needs Assessment has **increased by 17%** compared to the same period last year. This can be seen in the table below.

New Requests for an EHC Needs Assessment Received										
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total (Jan to Sep)
2020	65	62	84	52	55	71	54	7	43	493
2019	58	48	59	41	41	58	73	14	30	422
Number Difference	7	14	25	11	14	13	-19	-7	13	71
% increase/decrease	12%	29%	42%	27%	34%	22%	-26%	-50%	43%	17%

Data source: BCC client database

Increase in New EHC Plans finalised

- **2019 and 2020 (January to September)**

2020 has seen an increase of 144% of new EHC Plans finalised between January and September compared to the same period in 2019.

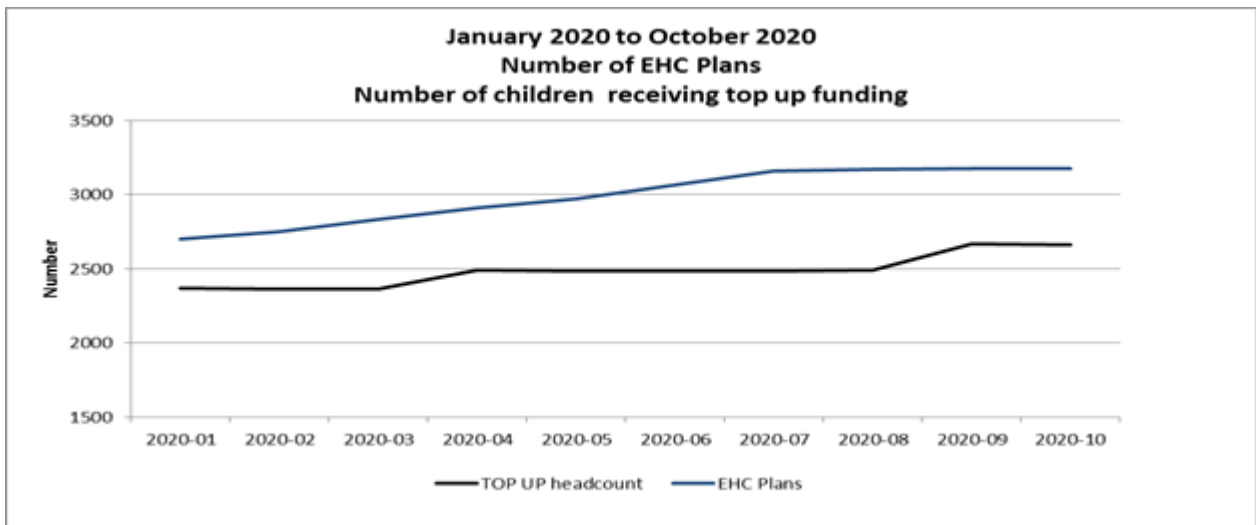
Number finalised EHC Plans										
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total (Jan to Sep)
2020	38	51	50	77	81	98	101	26	58	580
2019	12	23	16	11	29	9	72	31	35	238
Number Difference	26	28	34	66	52	89	29	-5	23	342
% increase/decrease	217%	122%	213%	600%	179%	989%	40%	-16%	66%	144%

Data source: BCC client database

Increase in the numbers of Children and Young People with a Bristol EHC Plan

- 2020 (January to October)

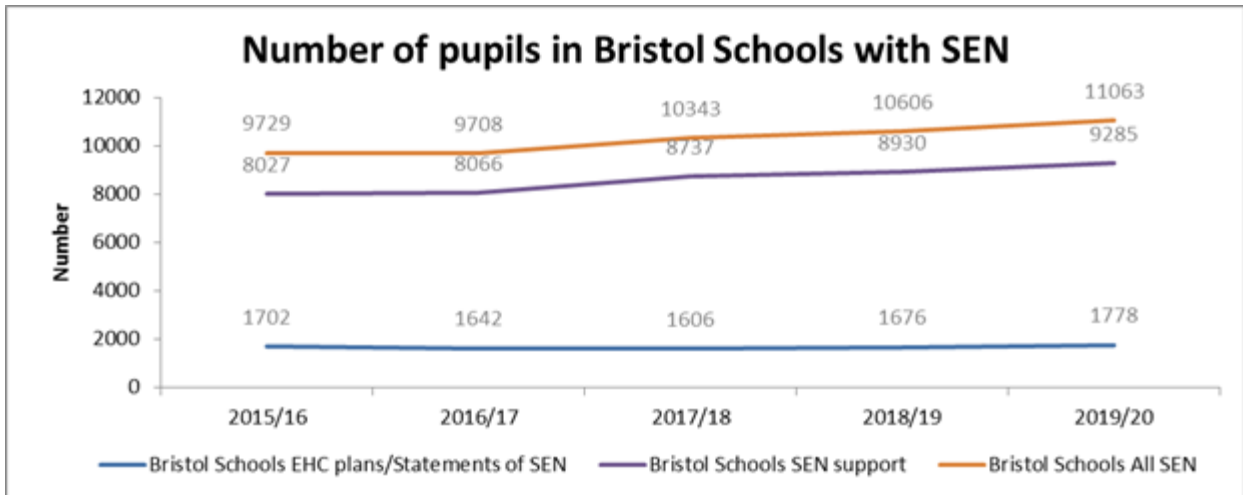
A snapshot at the end of each month of the number of EHC Plans over the last 10 months has shown a month on month increase, with a 17% difference in the number of EHC Plans at end of January 2020 (2702) compared to October 2020 (3177). Over the same period, number of children receiving top up funding increased by 12%.



Pupils with Special Educational Needs in a Bristol schools (school SEN support, EHCP and those at school SEN support and with an EHCP)

The number of **pupils with identified special education needs in a Bristol school** has increased from 10,606 in 2019 to 11,063 pupils in 2020, **an increase of 4.3%** (457 more pupils classified as SEN).

Breaking down SEN into two sub groups (EHC Plans and SEN support) this year, the increase in Bristol is driven by **a rise in number of pupils with an EHC Plan (+6.1% or 102 pupils)**. The number of **pupils receiving SEN support has also risen, although by a smaller amount (+4.0% or 355 pupils)**.



Data source: School Census 2020- These figures relate to those children / YP attending a Bristol School as at January each year (with the latest published data up to January 2020).

Special Schools

Requests as well as identified need for specialist education provision (across all need types) within the city continue to grow, with a gap between demand and capacity at the current time. The special school sufficiency project is in place to address this issue. Further work is planned with Special School Head Teachers to understand the demand in requests for increased Top Up funding.