**Report to Hartlepool Schools’ Forum 10 June 2021**

**From Amanda Whitehead (Assistant Director - Education)**

**Item 3 : Horizon School and Alternative Provision 2020/21 Final Outturn**

1. **Introduction**
   1. The purpose of the report is to provide an update to Forum on the 2020/21 final outturn position for the Horizon School and Alternative Provision (AP) services.
   2. These budgets sit within the High Needs Block and are included in the high needs block outturn presented as a separate item on this agenda.
2. **Background**

2.1 Schools’ Forum agreed to fund an annual cost baseline of £0.750m from the High Needs Block for the Horizon School for 2019/20 and 2020/21. For 2020/21 the contribution from the High Needs Block is a net £0.675m (after direct income credited to the Horizon School).

2.2 Forum Members will recall that the financial responsibility for AP transferred to the Horizon School Head Teacher during 2020/21. Therefore, management of costs for permanently excluded pupils, whether managed within the Horizon School or within AP is now combined.

2.3 The latest projection presented to Schools’ Forum estimated a year-end underspend of £0.072m for the Horizon School and an anticipated overspend of £0.099m for the Alternative Provision.

**3. Outturn 2020/21 - The Horizon School**

3.1 The final outturn for 2020/21 is an underspend of **£0.090m,** exceeding the estimated outturn projection reported at November’s School Forum of a £0.072m underspend. This is summarised by each area of spend in the table below. The paragraphs that follow explain the main changes in the final outturn from the last update.

3.2 As the school is funded from the High Needs Block in 2020/21, following agreement by Schools’ Forum, the underspend has been returned to the Block.

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| --- | --- | --- | --- |
| The Horizon School Outturn 2020/21 | Revised Budget 2020/21  £m | Final Outturn 2020/21  £m | Final  Variance 2020/21  Overspend (+) / Underspend (-)  £m |
| Employees | 0.557 | 0.563 | 0.006 |
| Premises | 0.058 | 0.059 | 0.000 |
| Transport | 0.012 | 0.005 | (0.007) |
| Supplies and Services | 0.119 | 0.117 | (0.002) |
| Capitation | 0.004 | 0.002 | (0.002) |
| Grants | (0.039) | (0.070) | (0.031) |
| Other Income | (0.037) | (0.091) | (0.054) |
| Total Outturn | 0.674 | 0.584 | (0.090) |

**4. Outturn 2020/21 – Alternative Provision**

4.1 The final outturn for 2020/21 is an overspend of **£0.035m,** lower than the estimated outturn projection reported at November’s School Forum of a £0.099m overspend. This is summarised by each area of spend in the table below. The paragraphs that follow explain the main changes in the final outturn from the last update.

|  |  |  |  |
| --- | --- | --- | --- |
|  | Budget 2020/21  £m | Outturn  2020/21  £ | Variance  2020/21  £ |
| Transport | 0.040 | 0.020 | (0.020) |
| School Fees | 0.153 | 0.116 | (0.037) |
| Clawback Income | (0.150) | (0.058) | 0.092 |
| TOTAL | 0.043 | 0.078 | 0.035 |

4.2 Transport (£0.020m underspend).

The underspend relates to lower pupil transport costs of £0.020m compared to budget.

4.3 School Fees (£0.037m underspend).

The underspend relates to lower school fees costs of £0.116m received compared to budget. This is owing to changes as outreach places end and new students come in, also changes due to reintegration or new permanently excluded pupils starting with the Horizon School.

4.4 Clawback Income (£0.092m overspend).

This relates to clawback of pupil funding for permanently excluded pupils. Clawback is only possible where the pupil was on a school roll during the latest funding period (i.e. financial year). This was not the position for a significant number of pupils being managed in the Horizon School or AP in 2020/21. Therefore, clawback income achieved was limited to £0.058m for the year, against a budget target of £0.150m.

**5.** **Recommendations**

5.1 Forum is recommended to note the contents of the report.