

SUMMARY HEADLINES

1. Overall Position and Movement

Fore cast 2017 / 18 - Over spend £3.7m (in-year), £5.3m cumulative											
	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Revised Budget £ 325.4m	4.4	4.4	4.4	4.9	4.6	3.7					
	▲	▲	▲	▲	▼	▼					

2. Revenue Position by Division

	Brought forward position April 2017 £m	In-year Over/(under) spend 2017/18 £m	Forecast Carry Forward position March 2018 £m
Retained DSG			
Maintained Schools	0.0	0.0	0.0
Academy Recoupment	0.0	0.0	0.0
Early Years Block	-0.4	0.5	0.1
High Needs Block	2.3	4.0	6.3
Schools Block (Central)	-0.3	-0.8	-1.1
Total	1.6	3.7	5.3

3. Latest Financial Position

The key change in the forecast position is the -£0.9m improvement in the High Needs Budget position. The components include:

- a) Changes to top-up arrangements and revision of the amount of contingency required to year-end -£0.3m
- b) Factoring in income from schools to Alternative Learning placements -£0.1m
- c) Renegotiation of Post 16 top-up entitlements with local colleges. -£0.5m.

These changes improve the underlying position on the High Needs budget and items b) and c) above contribute directly to the savings measures set out in section 5 below.

The other forecasts on the Early Years and Schools Block are not materially different to those for Period 6.

4. Risks and Opportunities

The underlying position on the High Needs Budget in particular remains a great concern. The measures set out in Table 5 are starting to be delivered with £0.750m already reflected in this month's 2017/18 forecast, but full and swift delivery will not be straightforward for all components. For instance, discussions with Special Schools about a revised model for funding them are at an early stage. The savings measures on their own are only going to address the in-year position, rather than the historic deficit, too. Schools Forum have been considering the competing pressures within the overall Schools Budget (DSG) for 2018/19 and they have agreed to transfer £2m from Schools Block to High Needs Block for 2018/19, subject to Secretary of State approval. A medium-term strategy for the High Needs budget is needed and this will be developed for the 2018/19 budget setting to be considered by Council in February 2018.

5. Savings measures and mitigations being developed in the High Needs Block.

Category	Proposal	Full-year impact	Saving Realised in 2017/18	Savings status for 2018/19
1. Places only	1.1 Revise agreed places, based on occupancy, including Further Education (FE)	-400	0	On-track
2. Special Educational Needs (SEN) Top-ups	2.1 Negotiate lower contributions to FE Element 2s and to standardised FE top-ups	-500	-500	On-track and may exceed target
	2.2 Review how we fund Bands 2 and 3 without Education Health & Care plans	-250	-250	On-track
	2.3 Develop revised models for special schools	-2,000	0	Early stages
3. Alternative Provision (AP) Top-ups	3.1 Develop revised models for Pupil Referral Units	-150	0	Planned
4. Other SEN provision	4.1 Use Capital Strategy to re-provide local, less expensive provision	0	0	Early Stages
5. Other AP provision	5.1 Share funding for Early Intervention Bases with schools	-450	0	Planned
	5.2 Target saving for Hospital Education Service	-200	0	Planned
	5.3 Restrict external AP provision to budget	-350	0	Planned
6. Services	6.1 Target saving for services	-650	0	On-track
Total		-4,950	-750	