

SUMMARY HEADLINES

1. Overall Position and Movement

Revised Budget	Forecast Outturn	Outturn Variance
P2 £0.0m	(£0.9m)	(£0.9m)

2. Revenue Position by Division

Summary DSG position 2018/19 Period 3 (All figures in £'000s)

	Brought forward 2018/19	Funding 2018/19	Forecast 2018/19	In-year variance	Carry-forward 2018/19
Schools Block		253,423	253,423		
De-delegation	-357		306	306	-51
Schools Central Block		2,828	2,262	-566	-566
Early Years	-500	36,600	36,208	-392	-892
High Needs Block	1,873	53,723	53,465	-258	1,615
Funding		-346,574	-346,574		
Total	1,016		-911	-911	105

NB, to be consistent with the figures reported to Schools Forum, this summary includes £157m for mainstream academies and £9m for High Needs recouped by the ESFA.

3. Latest Financial Position

- The latest forecast would produce a cumulative deficit of £0.1m by year-end, an improvement of £0.9m on the brought forward position.
- The key issue is the budget pressure in the High Needs Block, which is forecast to be a £1.6m cumulative deficit at the end of 2018/19. The service were in the process of developing a deficit recovery plan, which initially assumed plans to reduce the overspend by £5.1m savings could be delivered during 2018/19, but the financial position has significantly improved and its recognised that any changes still being considered should they be progressed may take longer to develop.
- The Early Years forecast underspend is based on expected pupil numbers in each of 4 terms that determine expenditure and income. Only one term's numbers are known so far, so it is too early to be confident about this amount.
- The £0.566m underspend in central block was

4. Risks and Opportunities

- Variations in pupil numbers in early years may confirm a projected underspend or it may reverse the position.
- Cost and demand pressures and opportunities within High Needs.
- Further academisation could erode de-delegated funding for the authority
- There are 17 schools that ended the year with a deficit balance. These deficits have accumulated over a long period of time and for some schools represent a significant proportion of their annual school budget. Officers have been meeting with those schools to develop a plan whilst ensuring they are able to meet statutory responsibilities and, there is recognition that any repayment of deficit would be over much longer timescales than the 3 or so years that might normally be expected of schools.
- At the time of the P3 forecast, there was a risk of a Judicial Review (JR) on the £5.1m plans to reduce pressures for the High Needs budget. The JR has since found against the Council and officers are working through the implications on the High Needs forecast for 2018/19.

5. Schools balances position as at 31st March 2018

Summary by sector	Revenue b/f	Revenue Movement	Revenue c/f	Capital b/f	Capital Movement	Capital c/f
Nursery	1,275,668	268,223	1,543,891	-368,655	47,902	-320,754
Primary	-3,597,384	-2,134,305	-5,731,689	-2,391,537	356,519	-2,035,018
Secondary	-348,067	87,979	-260,088	26	-50,248	-50,222
Special	-1,205,707	523,890	-681,817	-1,057,171	-68,764	-1,125,935
PRU	-181,172	181,172	0	15,613	-15,613	0
Hospital	139,120	-136,031	3,090	-6,968	6,242	-726
CC	-410,464	684,267	273,803	-52,318	63,191	10,873
Central	79,737	-79,737	0	3,599	-3,599	0
Total	-4,248,269	-604,541	-4,852,810	-3,857,411	335,630	-3,521,781

Carry forward position REVENUE (Status 31.3.18)

	Deficit	Nil Balance	Surplus	Total
Nursery	7	0	5	12
Primary	5	0	52	57
Secondary	1	0	2	3
Special	1	0	6	7
PRU	0	0	0	0
Hospital	1	0	1	2
CC	2	0	4	6
Central	0	1	0	1
Total	17	1	70	88