

## a: Revenue Budget Monitor

	Revised Budget	Forecast Outturn	Outturn Variance
<b>P03</b>	<b>£0.0m</b>	<b>£3.3m</b>	<b>£3.3m Overspend</b>
<i>P02</i>	<i>£0.0m</i>	<i>£2.4m</i>	<i>£2.4m</i>

Forecast Outturn Variance by month £m									
May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
2.4	3.3								
	▼								

## Revenue Position

## Summary DSG position 2020/21 Period 3 (all figures in £000s)

		DSG funding/ budget 2020/21	Outturn Period 3 2020/21	In-year variance at P3	Cumulative c/f	In-year variance at P2	Movement P2 to P3
	b/f						
Schools Block	(174)	272,492	272,492	0	(174)	0	0
De-delegation	(464)	0	0	0	(464)	(0)	0
Schools Central Block	0	2,386	2,385	(0)	(0)	1	(1)
Early Years	20	36,936	37,114	178	198	56	122
High Needs Block	3,509	62,376	65,537	3,161	6,669	2,375	785
Funding		(374,190)	(374,190)	0	0	0	0
<b>Total</b>	<b>2,892</b>	<b>0</b>	<b>3,338</b>	<b>3,338</b>	<b>6,230</b>	<b>2,433</b>	<b>906</b>

## Key Messages

The in-year forecast deficit on the DSG is £3.3m, which when added to the brought forward balance will give a total deficit to carry forward at the end of the year of £6.2m. The main area for concern is the High Needs block which is forecasting an overspend in-year at £3.1m, despite an increase in funding in this block. Top-up funding is experiencing the biggest pressure, with a significant (£2.1m) increase from 2019/20. Placement costs are also expected to increase from last year with the current forecast being £1.3m higher than 2019/20.

A forecast overspend of £3.1m relates to the increase in cost pressures in the High Needs Block. Following an Ofsted review last year, the Education service has invested significant resources in the EHC assessment and planning process to ensure that Pupils are assessed and receiving the relevant support in time. This has resulted in an increased number of high needs cases and had a significant impact on the DSG High Needs Block. Since the measures for improvement on the EHC process were introduced, additional Pupils have been assessed and brought into the service quicker, resulting in the increased cost forecast. In addition, the increase in demand would also have a knock on impact on higher cost placement needs (e.g. in out of area or independent non-maintained schools) where available capacity is not sufficient locally.

Following agreement of Schools 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 all this funding will be spent in 2020/21.

The Education Transformation Programme commenced this year and is primarily concerned with SEN and consequently the High Needs Block. Nationally this is an area where many authorities are experiencing difficulties and continues lobbying on government is needed for more sustainable future funding.

During the pandemic, most schools remained open to provide education to children of Key Workers and vulnerable pupils. Any additional costs incurred by schools during this time were able to be reclaimed from ESFA. The funding into the DSG was unaffected by Covid, and also the amounts paid to schools continued at pre-Covid levels following DfE guidance.