



## SCHOOLS' FORUM MEETING

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20th September 2018

### Schools Budget 2018/19 Latest Forecast

#### 1. Introduction

1.1. The purpose of schools forums is to advise local authorities on the operation of the local Schools Budget and its distribution among schools and other bodies. This paper and its appendix updates the Forum on the latest forecast for the Schools Budget for 2018/19.

#### 2. Attachments

2.1. The following items form the appendices to this paper.

- Appendix 1 – Latest forecast for 2018/19

#### 3. Points to Note in the Budget Forecast

3.1 The DSG as a whole is forecast to be over spent by £236.0k, this is a reduction on that forecast at Q1 of £56.3k. The reasons for the over spends are detailed below.

##### 3.1.1 The High Needs Block:

As can be seen from the attached appendix, the High Needs budget is showing a forecast overspend of £228.9k, a reduction in forecast spend since Q1 of £90k. The reduction in forecast is as a result of 2 special school placements ending, one due to transfer out of county with the Council no longer responsible for providing placements and the second placement no longer meeting student needs. However, since the budget was set, the DfE have adjusted the High Needs block allocation, reducing it by £42k due to a change in the number of Rutland pupils attending out of county schools (an additional 7 pupils). Therefore, the overall over spend has only reduced by £48k.

This forecast is based on the pupils currently in the system with an EHC plan and an identified placement with costs. It does not include the outstanding EHC assessments for pupils where the outcome of the assessment is not yet known. At Q1, there were 13 outstanding assessments awaiting an outcome. At Q2, there are 10 outstanding assessments including 2 new requests received in July. A low cost estimate for these 10 cases (based on a cost of £8.5k per child) is £85k of additional cost. However, it should be noted that individual packages can vary from £0 to £100k+.

This overspend is only likely to increase as the year progresses as any new packages will just add to the current overspend. The 2017/18 overspend of £59.6k will be charged to schools in 2019/20 as previously agreed at Schools Forum as per the 2017/18 outturn report presented at the July meeting.

### 3.1.2 The Early Years Block:

The Early Years Block is forecast to be overspent by £15.7k for the financial year, a reduction of £8.5k since Q1. The reduction is due to a forecast underspend on staffing budget as a result of a restructure. The overspend is due to the numbers of 2 year olds being claimed for being higher than the numbers recorded on the January Census. This has occurred for the last 3 years and therefore, the Early Years Working Group is reviewing how pupils are identified compared to the criteria set by the DfE. The next meeting of the group is the 20<sup>th</sup> September.

### 3.1.3 Dedicated Grant Schools Income:

The reduction in funding as a result of schools converting to academies later this year of £470.6k. This assumes that 3 schools convert to academy by end of November, however, if the conversions are delayed then the reduction in grant will be reduced accordingly. This is reflected in a corresponding reduction in spend within the schools block.

3.2 The Council holds a deficit balance on the DSG of £175.6k as a result of previous years overspends as detailed in the outturn report presented in July. This overspend is split between High Needs (£59.6k) and Early Years (£124.1k). The high needs overspend will be dealt with as per para 3.1.1. The Council is working with the Early Years Working Group to recoup the early years overspend over a 5 year period in order to minimise as much as possible the impact for individual settings.

3.3 Any overspend on the DSG in 2018/19 will be added to the overspend carried forward from last year.

## **4 Recommendations**

4.1 Schools Forum is asked to note the forecast position for 2018/19 Dedicated Schools Grant.

Dawn Greaves  
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12<sup>nd</sup> September 2018