

HIGH NEEDS BLOCK FORECAST OUTTURN 2018/19

Purpose of the Report

1. To report the forecast outturn position of the High Needs Block for 2018/19 as at period 10 (January 2019).

Information and Advice

2. Due to the current and projected pressures on the High Needs Block it was agreed at the January 2018 Schools Forum meeting that regular budget monitoring reports would be presented to keep members informed of the financial position.
3. On 17 December the Education Secretary, Damian Hinds announced an additional £250 million of funding for high needs to be allocated across Local Authorities based on their 2 to 18 year old population. The extra funding would be split between financial years 2018/19 and 2019/20.
4. Nottinghamshire's allocation of the extra High Needs funding is £1.737 million in each year.
5. The additional funding has been allocated across the three major areas of overspend: Post 16 High Needs, Independent Non Maintained Schools and Alternative Provision for children with an EHCP and Targeted HLN.

Summary Financial Position

6. Nottinghamshire County Council's (NCC) High Needs Block Allocation for 2018/19 has increased from £62.240 million to £63.977 million. Due to the projected budget pressure reported to Schools Forum in October 2017 it was agreed to transfer 0.5% of the Schools Block to the High Needs Block giving a total High Needs allocation of £66.332 million.
7. The High Needs Block is forecast to overspend by £0.104million, as summarised in Table 1 below.

Previously Reported Variance £000	Change in Variance £000	Service	2018/19 Proposed Budget £000	2018/19 Forecast Expenditure £000	2018/19 Forecast Variance £000
-38	95	Special Schools Funding	22,448	22,505	57
0	0	Place Funding for AP, CC and FE Providers	1,102	1,102	0
8	-9	Inclusion Services	2,615	2,614	-1
0	0	Devolved Partnership funding	3,465	3,465	0
0	0	Partnership Team	650	650	0
0	0	SEN Home to School transport	1,764	1,764	0
200	-200	Post 16 High Needs (outside of special schools and academies)	5,999	5,999	0
1,016	-1,016	Independent Non Maintained Schools and Alternative Provision (EHC Plan)	11,918	11,918	0
0	-164	Independent Non Maintained Schools and Alternative Provision (Non EHC Plan)	1,342	1,178	-164
1,207	-1,097	Targeted HLN	5,439	5,549	110
60	0	Additional Family Needs	7,568	7,628	60
0	54	Health Related Education and Physical Disability Unit	1,181	1,235	54
0	0	Anti Bullying	22	22	0
0	-12	SEND Divisional Costs	819	807	-12
2,453	-2,349	Grand Total	66,332	66,436	104

Forecast Variances

8. Forecast variances are detailed below.

- Special School Funding has a forecast overspend of £0.057 million due to an increase in use of Special Schools in Other Local Authorities.
- The previously forecast overspend on Post 16 high needs, independent non maintained schools and alternative provision for children with EHCP and targeted HLN have reduced due to net forecast expenditure reducing by £0.576 million and the additional funding of £1.737 million (see paragraph 4)
- The budget for independent non maintained special schools and alternative provision for children without an EHCP is reporting an underspend of £0.164 million due to a reduction in the forecast of number of children being placed in EOTAS settings.
- The additional family needs budget is forecasting an overspend due to an increase in the number of children being placed in OLA who are eligible for this support.
- Due to actions taken to mitigate overspends in the High Needs Block, no other services are currently forecasting an overspend.

Non ISB Reserve

9. Due to the overspend on the high needs block as detailed above, variances in the Central Schools Services block of the DSG and other in year expenditure from the Non ISB reserve, it is now anticipated that the Non ISB reserve will have a surplus closing balance of £1.051 million at the end 2018/19.

RECOMMENDATION

That the Schools Forum:

- 1) Note the contents of this report.

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