

Item 6a- 2018/19 Budget Monitoring

This report seeks to:

- inform Schools Forum of the latest budget position for the Dedicated Schools Grant (DSG)
- Provide an update of the existing reserves and provisions position

2018/19 BUDGET MONITORING

The DSG budget at month 9 is projected to overspend by £0.297m. This is due to an underlying pressure within High Needs.

Expenditure and projections are being reviewed and currently expectations are that a balanced position can be achieved by year end.

The table below summarises the DSG position:

Description	Original Budget	Current Budget	Outturn	Variance
	£000	£000	£000	£000
Schools Block				
- Individual Schools Budget	141,143	141,143	141,020	(123)
- Growth fund	897	897	792	(105)
- Centrals Schools expenditure	1,268	1,268	1,268	0
- ESG Retained Funding	852	852	852	0
Sub-total	144,160	144,160	143,932	(228)
Early Years Block	28,837	29,037	29,037	0
High Needs Block	44,310	45,182	45,707	525
Sub-total	217,307	218,379	218,676	297
DSG Income	(216,806)	(217,878)	(217,878)	0
DSG C/F	(501)	(501)	(501)	0
DSG Total	0	0	296	297

Schools Block – underspend of £0.228m. The Growth Fund is forecasted to underspend by £0.105m, the late conversion of a school to the maintained sector has resulted in a £0.185m underspend, further underspend is likely in relation to this school. The underspend is partly offset by a pressure of £0.062m relating to NNDR increases.

Early Years Block – pressure of nil. The position is forecasted to breakeven, centrally retained funding will be as per budget, the majority of any underspend relating to providers will be subject to clawback. There remains the risk that if January census data is not accurate, then clawback will be greater than underspends.

High needs Block – pressure of £0.525m. This takes into account the additional £0.964m received in December 2018, the pressure relates to place funding additional costs and pressures within high needs top-ups.

2018/19 RESERVES & PROVISIONS

There is no carry forward anticipated on the DSG reserve. The DfE has consulted on the treatment of any negative reserve balance. We await the government response.

A list of all the reserves and provisions is listed below:

	Description	Total B/fwd 2018/19 £000	Actual to date £000	Projected drawdown 2018/19 £000	Projected c/fwd to 2019/20 £000
DSG	The underspend carried forward from 2017/18 has been built into the schools budget for 2018/19. It is anticipated that all the carried forward underspend of £0.501m will be required to support the schools budget in 2018/19 and will mean that carried forward balances will reduce to zero by 31 st March.	501	0	(501)	0

Recommendation:

Schools Forum are asked to note the month 9 projected outturn position.