



SCHOOLS' FORUM MEETING

5th July 2018

Schools Budget 2017/18 Outturn

1. Introduction

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 draft outturn for the Schools Budget for 2017/18.

2. Attachments

The following items form the appendices to this paper.

- Appendix 1 – Draft outturn for 2017/18

3. Points to Note in the Budget Forecast

3.1 The Grant income has been adjusted to reflect the receipt of £39k of early years funding received in 2017/18, being the adjustment to the final allocation for 2016/17. It has then been reduced by £150k to take account of the reduction in numbers for Early Years pupils recorded on the January 2018 census resulting in an anticipated clawback of funding in 2018/19 by the DfE. This gives an overall deficit on the funding received in 2017/18 of £111k

3.2 The DSG as a whole shows an underspend of £11.5k, however this underspend includes the income received from schools for the overspend on the High Needs block last year and the additional income received for the Early Years for 2016/17. Therefore, the true position is that the DSG is overspent by £66.9k. This along with the 2016/17 overspend carried forward to this year are summarized in the table below:

	Schools £'000	High Needs £'000	Early Years £'000	Central Schools £'000	Total £'000
Surplus/(Deficit) Carry Forwards from 2016/17	0	(39.5)	(147.7)	0	(187.2)
Recharged to Schools in 2017/18		39.5			39.5
Funding received for Early Years in 2017/18 relating to 2016/17			39.0		39.0
Under/(Over) spends in 2017/18		(59.6)	(15.4)	8.1	(66.9)
Surplus/(Deficit) Carried Forward to 2018/19	0	(59.6)	(124.1)	8.1	(175.6)

3.3 The Schools Block:

The schools block is showing a more or less breakeven position. There is a slight underspend on the Admissions Service as a result of changes in the staffing structures for the Learning and Skills team resulting in a lower charge to the service. This underspend forms part of the new Central Schools Services Block which the DfE have introduced from 2018/19.

3.4 The High Needs Block:

As can be seen from the attached appendix, the High Needs budget is showing an overspend of £20.1k for the financial year. However, the figures include the £39.5k recharge to schools for last years overspend, meaning that the 'real' overspend for 2017/18 is £59.6k. The Schools' Forum have already agreed that this overspend will be recharged to schools during 2019/20 if it cannot be clawed back via underspends in 2018/19 (please refer to separate paper for impact for each individual school).

3.5 The Early Years Block:

The Early Years Block shows an underspend of £134.6k, however due to the low numbers recorded on the January 2018 census, it is anticipated that the DfE will 'clawback' in 2018/19 an estimated £150k, leaving an actual deficit position of £15.4k. This is due to spend on 2 year olds being in excess of funding allocated. This may be adjusted in 2018/19, however it should be noted that for 2015/16 the DfE clawed back underspend on 3&4 year olds but did not increase the 2 year old funding.

The DSG is carrying an overspend on Early Years from last year of £108.7k, so the new deficit is £124.1k. With the agreement to pay setting £4.25 per hour in 2018/19, it is unlikely that there will be a significant reduction (if any) in this deficit in 2018/19.

4. Recommendations

4.1 Schools Forum is asked to note the draft outturn for 2017/18 Dedicated Schools Grant and the overall fund deficit of £175.6k.

Dawn Greaves
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28th June 2018