

DARLINGTON SCHOOLS FORUM

22nd May 2018

ITEM NO 3

BUDGET UPDATE 2017/18

Purpose of Report

1. To update Forum regarding the final 2017/18 budget position.

Background

2. School Forum was presented with an expenditure budget of £22,648,850 at their March 2018 meeting. The budget has not changed since that meeting.

Budget Position

3. Appendix 1 shows the final year end position regarding the 2017/18 budget. The following paragraphs highlight the major changes in the variances from those that were reported to School Forum in March.
4. Post 16 Placements top ups. The final year end variance on budget has increased by £23,620. The increase reflects the actual pupil numbers in all placements across the autumn and spring terms.
5. SEN Out of Area Placements. The final overspend on this budget has increased by £97,195 on that previously reported. The increase reflects the actual pupil numbers in all placements across the autumn and spring terms.
6. High Needs Contingency. The final overspend on this budget has increased by £20,680. The reason for the increase being the continued funding of pupils in the spring term.

Early Years

7. The final position for all the early years budget lines is an underspend of £289,466. As reported to Forum in March it is expected that there will be claw back on the amount of DSG received for early years due to lower numbers of children on the census than funded (Forum will recall that the DSG funding is based on two January census's and is updated throughout the year based on the actual census numbers. The DSG allocation is amended in June of the following financial year by ESFA once the actual census data is known). At the March Forum meeting it was projected that the claw back would be in the region of £200,000 which left an underspend of approximately £80,000. It is still projected that the clawback will be of a similar amount, therefore the "real" underspend in early years budgets will be £89,466. Forum will be provided with the final budget position for early years once ESFA provide the updated budget allocations.

Overall

8. As can be seen from appendix 1, the final overall overspend for 2017/18 is £1,238,895, which is £37,000 less than reported in March. As previously reported the vast majority of the overspend has arisen in high needs budgets, the final budget position being as follows,
 - a. High Needs Budgets - £1,589,978 overspent
 - b. Central Budget - £61,617 underspent
 - c. Early Years - £289,466 underspent (before clawback as above)
9. Forum have been given updates throughout the year of the pressures in high needs, the main pressure areas being, mainstream top ups and out of area placements. Forum are aware that this overspend will be rolled forward to 2018/19 and set against the 2018/19 DSG allocations. Forum members are also aware of ongoing work regarding the SEN/High needs strategy which will aim to deliver future years high needs spend within budget.
10. It is proposed that the underspend in central budgets be offset against the high needs overspend in order to reduce the budget shortfall carry forward for high needs.
11. As previously reported to Forum it was expected that there would be an underspend in early years budgets and the underspend would be used for any SEN inclusion pressures that arise in 2018/19. It is therefore proposed that the underspend in early years be carried forward in 2018/19 to offset against any claw back, the balance being used for future early years purposes.

Recommendations

12. That Forum notes the final budget position.
13. That Forum agrees to the carry forward of high needs budget overspend into 2018/19.
14. That Forum agrees to use underspend in central budgets to offset high needs pressures.
15. That Forum agrees to the carry forward of early years budgets underspends into 2018/19 for early years purposes.

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