

# DARLINGTON SCHOOLS FORUM

16<sup>th</sup> January 2018

ITEM NO 4

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## BUDGET UPDATE 2017/18

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### Purpose of Report

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

### Background

2. School Forum was presented with an expenditure budget of £22, 647,850 at their October 2017 meeting. The budget has since increased by £1,000 to £22,648,850 in line with the revised Dedicated Schools Grant (DSG) allocation from the Education & Skills Funding Agency (ESFA) for 2017/18.
3. The additional £1,000 results from a number of small changes within the early year's allocation.

### Budget Position

4. Appendix 1 shows the predicted year end position regarding the 2017/18 budget. The following paragraphs highlight any major changes in the variances from those that were reported to School Forum in October.
5. Growth Fund. This budget is projected to be underspent by £29,000 at the year end. The budget has been updated for the actual numbers of pupils attracting growth funding following the September 2017 intake. The intake in September was below number of places created resulting in an underspend on the fund.
6. Pupil Referral Unit top ups. The projected year end variance on budget has decreased by £30,000 based upon children within Rise Carr College (RCC) at the commencement of the autumn term. At the time of writing the actual number of children occupying spaces at RCC during the autumn term has not been confirmed. Therefore the final year end position is subject to change dependent on the actual number of children within the unit during the autumn and spring terms.
7. Post 16 Placements top ups. The projected year end variance on budget has increased by £36,000 based on updated pupil numbers for the autumn term. At the time of writing the actual number of children occupying spaces at post 16 colleges during the autumn term has not been confirmed. Therefore the final year end position is subject to change dependent on the actual number of students within the unit during the autumn and spring terms.
8. SEN Out of Area Placements. The projected overspend on this budget has increased by £16,000 on that previously reported. The reason for the increase is a number of new placements were made in the autumn term that were unknown (or the cost of the

placement was unconfirmed) at the time of writing the October budget report. The budget projection has been updated for all the current placements.

9. Mainstream school top ups. The projected pressure on this budget has increased by £72,000 on that reported in October. The reason for the increase is additional assessments that have been carried out during the autumn term that require mainstream schools to receive a top up.
10. LAPP Budgets. The three LAPP budgets are projected to be underspent by £75,000 at the year end. This projection is new as the commitment against this budget is no longer expected during this financial year.
11. High Needs Contingency. This budget is expected to be overspent by an additional £137,000. The reason for the increase is that a number of the placements have continued throughout the autumn term, these placements were previously expected to finished early in the term.

### Early Years

12. At the time of writing it is unknown what the take up of places will be in the spring 2018 term, therefore any projected year end budget position is subject to considerable change at this point.
13. Based on the actual spend to date it is expected that there will be underspends in both the 3&4 year old entitlement budget and the 2 year old budget, however both budgets are shown as on target at present. The reason for this is that the final early years allocations for 2017/18 are funded based on 5/12<sup>ths</sup> of the January 2017 census and 7/12<sup>ths</sup> of the January 2018 census. Currently the budget allocation (received from ESFA) is based purely on the January 2017 census, therefore dependent on the January census take up the current budget allocation will decrease or increase. Until the January census takes place the actual year end position is unknown, Forum will be updated at their March 2018 meeting.
14. What is known at this point is that the SEN Inclusion budget will be overspent in 2017/18. The expenditure for the summer and autumn terms is £141,200 which is only £8,800 short of the full year's allocation with one term to be paid. This budget is therefore expected to be overspent by £60,000 at the year end. It is hoped that this overspend will be offset by some savings in the other early years budgets, however this cannot be confirmed until the January 2018 census data is received.

### Overall

15. As can be seen from appendix 1, the projected overall overspend for 2017/18 is £1,047,214, the majority of which is from high needs budgets. This is an increase of £126,331 on the pressure reported to Forum in October. As previously reported to Forum, as there is no underspend to offset this pressure the shortfall will need to be rolled forward to 2018/19 and set against the 2018/19 DSG allocations. This will hit upon the budget allocations for 2018/19.

16. Agenda item 6 will provide an update to Forum members on the progress that is being made with regard to the SEN/High needs strategy which will aim to deliver future years high needs spend within budget

**Recommendations**

17. That Forum notes the current budget position.

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