

# DARLINGTON SCHOOLS FORUM

12<sup>th</sup> March 2019

ITEM NO 3

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## BUDGET UPDATE 2018/19

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### Purpose of Report

1. To update Forum regarding the 2018/19 budget position.

### Background

2. School Forum was notified at their January 2019 meeting of a revised budget position of £22,204,814, this budget has not changed.
3. School Forum was notified at their January 2019 meeting that the budget was forecast to be overspent by £2,495,758 which included a brought forward overspend in high needs budgets of £1,528,361 from 2017/18. Forum was informed that the vast majority of the in-year pressure was resulting from demands against the high needs/SEN(D) budgets.

### Budget Position

4. Appendix 1 shows the estimated spend against the budget for 2018/19. The key changes in projected variances from those highlighted at the January meeting are detailed within the following paragraphs.
5. The figures that are shaded within the projection columns (at appendix 1) include estimates based on pupil numbers at the beginning of the spring 2019 term. If the numbers of pupils within those budget lines change throughout the spring term, then the final spend will change within that budget line.
6. The budget for top ups at the PRU is forecast to be overspent by £76,000, this is based on the college having nearly 50 fte pupils within the resource during the spring term. In addition the final pupil numbers for the second half of the autumn term was approximately 45 fte pupils. The budget is based on a 40 fte place provision.
7. The estimated overspend on top up funding for pupils at Beaumont Hill Academy has increased by £30,000 based on pupil changes during the autumn and spring terms.
8. The estimated overspend on top up funding for pupils at Marchbank has increased by £17,000 based on pupil changes during the autumn and spring terms.
9. The Out of Area Placements budget, is projected to be overspent by a further £15,000 based on placement changes during the autumn and spring terms.
10. Mainstream top up budgets are projected to be underspent by £15,000 based on new assessments to date during the spring term. As noted above, this budget position is subject to change dependent on new assessments during the second half of the term.

### Early Years

11. The early years, in year budgets are currently projected to be underspent by £43,000. This projection is made before the spring term census data has been received and hence is subject to subject to change based on the actual numbers of children in placements in the spring term.
12. As noted to Forum at their January meeting, it is estimated that there will be a reduction in the DSG allocation for early years in 2018/19. If this does materialise, then the saving in 2018/19 will be reduced (or there will be no saving). This calculation cannot be confirmed until the census data is available and the final DSG allocation for early years is received in June (after the year end).
13. As £160,000 of underspent early year's budget was brought forward from 2017/18, it is expected that overall the early year's budget will be in surplus in 2018/19 which will be carried forward to 2019/20 for early year's purposes.

#### Overall

14. Overall the budget is currently projected to be overspent by £2,726,546 at the end of the financial year which is an increase of £230,788 on the projection reported in January. The biggest change since January is a higher projected spend at early years, which if removed would result in the projected overspend increasing by approximately £126,000. This increase is within high needs budgets as outlined in paragraphs 6 to 10 above.
15. As Forum have been made aware, the majority of the budget pressure is from the high needs budgets, the increase in projected spend in high needs budgets means that the in year high needs budget position is an estimated pressure of £1.536 million. The overall estimated pressure on high needs to be carried forward to 2019/20 therefore remains at over £3 million.

#### **Recommendations**

16. That Forum notes the current budget position.
17. That Forum notes the ongoing pressures within high needs budgets.

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