P5

SUMMARY HEADLINES

1. Overall Position and Movement
Revised Budget Forecast Outturn Outturn Variance Transfer from reserves
P5 £0m £0m £0m

2. Revenue Position by Division

Summary DSG position 2018/19 Period 5 (All figures in £'000s)

	b/f	Funding 2018/19	Forecast 2018/19	In-year variance	Carry- forward 2018/19
Schools Block		253,423	253,423		
De-delegation	-357		302	302	-55
Schools Central Block		2,828	2,262	-566	-566
Early Years	-500	36,600	36,251	-349	-849
High Needs Block	1,873	53,723	54,345	622	2,495
Funding		-346,574	-346,574		
Total	1,016		9	9	1,025

NB, to be consistent with the figures reported to Schools Forum, this summary includes £165m for mainstream academies and £9m for High Needs recouped by the ESFA.

3. Latest Financial Position

- The overall DSG forecast position has improved by -£0.3m since Period 4. All the material changes have occurred within the High Needs Budget.
- The improved forecast relates to a recognition that more of the additional costs being reflected in Period 4 needed to be offset against the provision for new and changed cases already in the forecast.
- It must be stressed that the Early Years forecast underspend is tentative because 2/3rds of the expenditure on early years settings and 7/12ths of the DSG Early Years Block income is dependent on the participation levels recorded in the October 2018 and January 2019 pupil censuses, which have not yet taken place. The forecast is based on patterns in 2017/18, so these may not be replicated.
- The combined cumulative overspend of £1.0m would only be deliverable if the £0.8m underspend on Early Years and the unallocated £0.6m were transferred to High Needs. Stakeholder views on this will be necessary to identify how best to manage the overall financial position.

4. Risks and Opportunities

- Variations in pupil numbers in early years may confirm a projected underspend or it may reverse the position.
- Cost and demand pressures and opportunities within High Needs have materialised and there is little scope for taking
 action to reduce them in this financial year in the context of plans for setting the High Needs Budget at Full council in
 November 2018.
- Further academisation could erode de-delegated funding for the authority
- There are 17 schools that ended the year with a deficit balance. These deficits have accumulated over a long period of time and for some schools represent a significant proportion of their annual school budget. Officers have been meeting with those schools to develop a plan whilst ensuring they are able to meet statutory responsibilities and, there is recognition that any repayment of deficit would be over much longer timescales than the 3 or so years that might normally be expected of schools. Two of the schools who have recently become academies had combined deficits of £1.1m which the LA will have to address this financial year.

5. Schools balances position as at 31st March 2018

Summary by sector						
	Revenue	Revenue	Revenue	Capital	Capital Moveme	
	b/f	Movement	c/f	b/f	nt	Capital c/f
Nursery	1,275,668	268,223	1,543,891	-368,655	47,902	-320,754
Primary	-3,597,384	-2,134,305	-5,731,689	-2,391,537	356,519	-2,035,018
Secondary	-348,067	87,979	-260,088	26	-50,248	-50,222
Special	-1,205,707	523,890	-681,817	-1,057,171	-68,764	-1,125,935
PRU	-181,172	181,172	0	15,613	-15,613	0
Hospital _	139,120	-136,031	3,090	-6,968	6,242	-726
cc	-410,464	684,267	273,803	-52,318	63,191	10,873
Central	79,737	-79,737	0	3,599	-3,599	0
Total	-4,248,269	-604,541	-4,852,810	-3,857,411	335,630	-3,521,781

Carry forward position				
	Deficit	Nil Balance	Surplus	Total
Nursery	7	0	5	12
Primary	5	0	52	57
Secondary	1	0	2	3
Special	1	0	6	7
PRU	0	0	0	0
Hospital	1	0	1	2
CC	2	0	4	6
Central	0	1	0	1
Total	17	1	70	88