

**SLOUGH SCHOOLS' FORUM**  
**4<sup>th</sup> July 2019**

**Directorate of Children, Learning and Skills**

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**ANNUAL DSG REPORT 2018-19**

**1 PURPOSE OF REPORT**

This report sets out the actual deployment of the Dedicated Schools Grant (DSG) in 2018-19. It explains the main variances, and reports on the amounts carried forward into 2019-20.

The analysis focuses on the four blocks within the DSG:

- Central Schools' Service Block (CSSB)
- Early Years Block (EYB)
- High Needs Block (HNB)
- Schools' Block (SB)
- Schools' balances

**2 RECOMMENDATIONS**

- 2.1 Schools' Forum is asked to note the report.

**3 REASONS FOR RECOMMENDATION**

- 3.1 It is obligatory to provide Schools' Forum with the annual financial position for each block.

**4 REPORT**

- 4.1 The DSG is a ring-fenced grant and can only be applied to meet expenditure properly included in the Schools' Budget as defined in the Schools Finance Regulations.

The majority of funding is delegated to schools, using locally determined factor rates, determined by annual consultation and approved by schools' forum. A large proportion of the grant is recouped by the DfE to fund Academy schools within the authority's jurisdiction. The remainder is used to fund Early Years', High Needs provisions, and central functions.

## 4.2 Year End Position – Summary 2018/19

Table 1 over leaf, provides a high level analysis of the financial performance of the DSG, both in –year and cumulatively.

**TABLE 1 Key: Underspends/surplus balances are shown as a (minus).  
Overspends/deficit balances are shown as a positive.**

DSG	Brought Forward from 2017.18	In-year Adjustments	Reserve balances	Gross Budget 2018/19	Net Budget	Final Outturn	Carry Forward into 2019.20	% Variance (In Year)	Cumulative balance as at 1/5/19	% Variance (Cumulative)
SB	0.000	0.000	-0.085	128.035	35.384	35.248	-0.136	-0.11%	-0.221	-0.17%
EYB	-0.818	0.367	-0.451	14.604	14.604	14.153	-0.451	-3.09%	-0.902	-6.18%
CSSB	0.000	0.000	0.000	0.901	0.901	0.919	0.018	2.01%	0.018	2.01%
HNB	5.514	-0.074	5.440	22.204	17.021	19.881	2.860	12.88%	8.300	37.38%
<b>Sub Total</b>	<b>4.696</b>	<b>0.293</b>	<b>4.904</b>	<b>165.744</b>	<b>67.910</b>	<b>70.201</b>	<b>2.292</b>	<b>1.38%</b>	<b>7.196</b>	<b>4.34%</b>

4.3 The DSG in-year over spend is currently **£2.292m**, excluding the final adjustment for Early Years'. The final funding position for the Early Years' block will not be confirmed by the DfE until July 19, once the January 19 census data has been analysed.

4.4 The **cumulative** deficit before any adjustments is **£7.196m**. Any end of year balances must be rolled forward into the next financial year, which has the first call upon the forthcoming budget.

4.5 The reported underspends will be explored in greater detail further on within the report.

## 5.0 Schools' Block

5.1 Table 2 overleaf provides a more detailed analysis of the Schools' Block for 2018.19. The reported end of year position is an under spend of **(£0.136m)** and a cumulative balance of **(£0.221m)**. This underspend is wholly situated within the growth fund, and broadly attributable to the underwriting fees for The Grove, which were less than the maximum agreed contribution. This balance has been placed into reserves and can be assessed for use within the 2020-21 budget setting process.

**TABLE 2**

<b>Schools' Block</b>	<b>Budget 2018/19 £m</b>	<b>Outturn 2018/19 £m</b>	<b>Variance</b>
<b><u>Receipts</u></b>			
DSG Settlement	-127.487	-127.487	0.000
Academy Recoupment	92.651	92.651	0.000
HNB Transfer	-0.548	-0.548	0.000
<b>Net Cash</b>	<b>-35.384</b>	<b>-35.384</b>	<b>0</b>
<b><u>Expenditure</u></b>	0.000	0.000	0.000
Maintained Primary Schools Budget Shares	26.791	26.791	0.000
Maintained Secondary Schools Budget Shares	7.063	7.063	0.000
De-delegated Budget: Behavioural Services	0.234	0.234	0.000
Growth Fund: School Block Top Slice	0.900	0.782	-0.118
Growth Fund: Not Recouped	0.396	0.378	-0.018
<b>Expenditure</b>	<b>35.384</b>	<b>35.248</b>	<b>-0.136</b>
<b>Variance</b>	<b>-0.000</b>	<b>-0.136</b>	<b>-0.136</b>
<b>Carry forward from 2017/18</b>	<b>0.000</b>	<b>-0.085</b>	<b>-0.085</b>
<b>Cumulative Surplus/Deficit</b>	<b>0.000</b>	<b>-0.221</b>	<b>-0.221</b>

## 6. CSSB

6.1 The reported end of year position is an overspend of **£0.018m**, itemised within the table beneath.

<b>CSSB</b>	<b>Budget 2018/19 £m</b>	<b>Outturn 2018/19</b>	<b>Variance</b>
<b><u>Receipts</u></b>			
DSG Settlement	-0.625	-0.625	0.000
Block Transfer	-0.176	-0.176	0.000
Block Transfer	-0.100	-0.100	0.000
<b>Income Total</b>	<b>-0.901</b>	<b>-0.901</b>	<b>0.000</b>
<b><u>Expenditure</u></b>			
Servicing of Schools' Forum	0.053	0.053	0.000
Admissions	0.178	0.176	-0.003
Education Welfare (Former ESG)	0.145	0.145	0.000
Asset Management (Former ESG)	0.013	0.013	0.000
Statutory & Regulatory (Former ESG)	0.258	0.254	-0.005
Licenses	0.124	0.149	0.025
LA Safeguarding Board	0.030	0.030	0.000
VH	0.100	0.100	0.000
<b>Expenditure Total</b>	<b>0.901</b>	<b>0.919</b>	<b>0.018</b>
<b>Variance</b>	<b>0.000</b>	<b>0.018</b>	<b>0.018</b>

- 6.2 **Admissions:** a staff driven service, with a slight underspend owed to staffing efficiencies.
- 6.3 **Statutory & Regulatory services:** slight underspend due from slightly lower SACRE costs.
- 6.4 **Licenses:** Commercial and confidence, DSG annual licence fee paid gross of VAT, against a budget excluding VAT. The LA is pursuing this with HMRC and is expecting a refund of £0.025m in 2019.20.

## 7.0 Early Years' Block

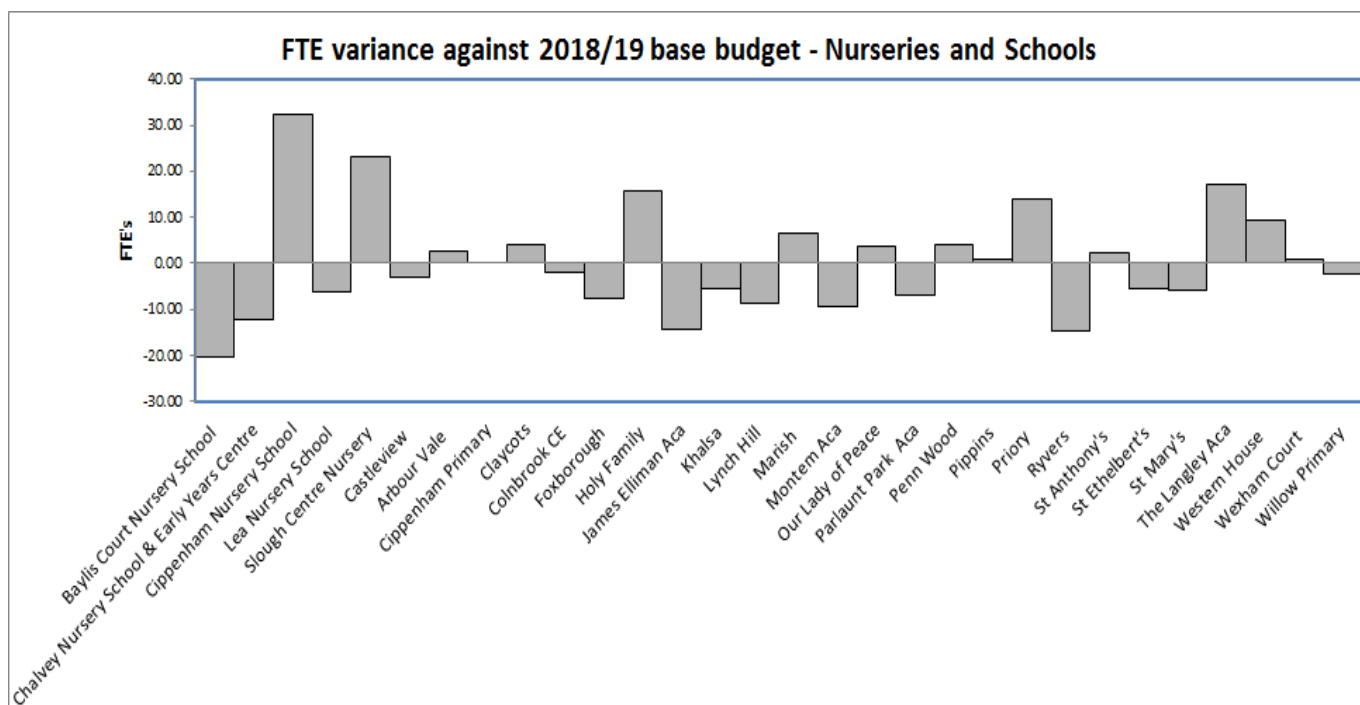
- 7.1 The **provisional** end of year position is an under spend of **£0.451m** and a cumulative underspend of **£0.901m**, a favourable movement of **£0.012m** over what was reported previously to forum. This is a demand funded service with providers claiming funding for actual hours of provision at the hourly rate set by the authority for that particular financial year.
- 7.2 The final funding position within the Early Years Block **is not confirmed** by the DfE until July when the January census data has been analysed and the budget amended. Funding adjustments impact on the forthcoming DSG settlement and therefore any prior year balances, if applicable, are requested to compensate for this adjustment. The DfE recouped £0.367m and £0.320m over the past two years, respectively, and it is anticipated, that similarly, there will be an impact for this year. Schools' Forum will be made aware of any changes at a subsequent meeting.
- 7.2 Table 3 over leaf sets out the provisional 2018.19 Early Years DSG revenue budget and outturn position. The current funding allocation is based on the January 18 census data, and will be updated in July 19 to reflect 5/12ths of the January 18 and 7/12ths of the January 19 censuses. Expenditure is based on actual take up achieved during the financial year, with providers claiming funding for actual hours of provision at the hourly rate set by the authority for that particular financial year. The outturn data within the table demonstrates this and is now final.
- 7.3 There will be variances between actual funding and expenditure incurred because the funding is always an estimate of the potential activity for Early Years users and the demand is not uniform over the year. Both expenditure and funding is therefore variable and challenging to predict.

**TABLE 3**

<b>Early Years Block</b>	<b>Budget 2018/19 £m</b>	<b>Outturn 2018/19 £m</b>	<b>Variance</b>
<b><u>Income</u></b>			
DSG Settlement	-14.604	-14.604	0.000
<b>Income Total</b>	<b>-14.604</b>	<b>-14.604</b>	<b>0.000</b>
<b><u>Expenditure</u></b>			
<b>Maintained Nursery Schools</b>			
2 Year Old Funding	0.206	0.206	0.000
3-4 Year Old Universal Entitlement	1.540	1.540	0.000
3-4 Year Old Extended Entitlement	0.290	0.290	0.000
Deprivation	0.018	0.018	0.000
Maintained Nursery Supplement	0.783	0.783	0.000
<b>Sub Total</b>	<b>2.838</b>	<b>2.838</b>	<b>0.000</b>
<b><u>Primary Schools</u></b>			
2 Year Old Funding	0.050	0.050	0.000
3-4 Year Old Universal Entitlement	3.827	3.865	0.038
3-4 Year Old Extended Entitlement	0.362	0.362	0.000
Deprivation	0.043	0.043	0.000
<b>Sub Total</b>	<b>4.282</b>	<b>4.320</b>	<b>0.038</b>
<b><u>Special Schools</u></b>	0.012	0.012	0.000
<b>Sub Total</b>	<b>0.012</b>	<b>0.012</b>	<b>0.000</b>
<b><u>PVI Sector</u></b>	6.367	6.147	-0.220
<b>Sub Total</b>	<b>6.367</b>	<b>6.147</b>	<b>-0.220</b>
Deprivation Balance	0.068	0.049	-0.019
EYPP	0.082	0.034	-0.048
Growth	0.183	0.059	-0.123
Disability Access Fund	0.055	0.004	-0.051
<b>Sub Total</b>	<b>0.387</b>	<b>0.146</b>	<b>-0.241</b>
<b><u>Central Budgets</u></b>			
Early Years Adaptations/ Practical Support	0.075	0.012	-0.063
Early Years Strategic Financial support	0.080	0.080	0.000
Early Years Behaviour Support Services	0.042	0.041	-0.001
Central Early Years Expenditure	0.091	0.097	0.006
Early Years Team Contribution	0.468	0.498	0.030
<b>Central Expenditure Total</b>	<b>0.756</b>	<b>0.728</b>	<b>-0.028</b>
<b>Projected End of Year Variance</b>	<b>0.038</b>	<b>-0.413</b>	<b>-0.451</b>
<b>Carry forward from 2017/18</b>	<b>0.000</b>	<b>-0.450</b>	<b>-0.450</b>
<b>Cumulative Surplus/Deficit</b>	<b>0.038</b>	<b>-0.863</b>	<b>-0.901</b>

7.4 A review of the main variances follows:

7.41 **Maintained Nursery and Primary Schools:** No Variance is shown against these budgets as the budget and actual allocation are made the same for internal reconciliation purposes. However, we can report the demand for this sector, by comparing the base hours, as per the indicative 2018/19 budgets and the final allocation. The total budgeted hours were 1,144,374 and the final paid hours were 1,151,547, a very modest increase of 7,083 hours. The graph below demonstrates the end of year change for reported FTE's as per the termly adjustments against base FTE's for 2018.19.



7.42 **PVI Sector:** underspend of (£0.220m) due to lower demand against funding levels. The updated budgeted hours were 1,160,414 and the final paid hours were 1,121,208, a contraction of 39,206 hours.

7.43 **Deprivation:** Correlates to demand, which has been lower than budgeted with the PVI sector.

7.44 **EYPP:** Whilst the ESFA will fund this based on the census data returns, actual funding is linked to the FSM applications. Early years providers are ultimately responsible for identifying eligible children. Providers should be encouraged to speak to parents to find out who is

eligible for EYPP funding. If parents do not lodge an application, then the school or nursery will not receive the pupil premium for that child from the LA. The outturn reflects these differences.

- 7.45 **Growth:** The residual contingency set aside to support Early Years' providers if they experienced growth above the expected levels. It is expected that the DfE will recoup this.
- 7.46 **Disability Access Fund:** underspend of (£0.051m). This was introduced in April 2017 to support disabled children's access to the entitlements for three and four year olds. The DfE have confirmed that DAF will not be recouped and can be used in future years. The Early years' service have raised awareness and agreed criteria across the sector.
- 7.47 **Centrally Retained:** underspend of (£0.028m) Adaptations/Practical Support is a relatively new area of funding and the take up has been slower than expected. This balance has been rolled forward into 2019/20, with anticipation that this will be fully utilised to support children in accessing their universal and extended entitlements across Slough. As with the DAF, the Early Years' service have raised awareness and agreed criteria across the sector.

## 8. High Needs Block

- 8.1 The DSG 2018-19 High Needs Block final outturn shows an in-year overspend of **£2.860m** and a cumulative overspend of **£8.300m**.
- 8.2 The council received a gross cash settlement of £17.845m which is reflective of in- year import and exports, and place funding recoupment from the academisation of Arbour Vale School on the 1<sup>st</sup> November 2018. This settlement has been revised to **£17.021m**, to reflect the pre-agreed in-year block transfers. Total expenditure incurred was recorded at **£19.881m**, which can be traced through table 4, beneath.

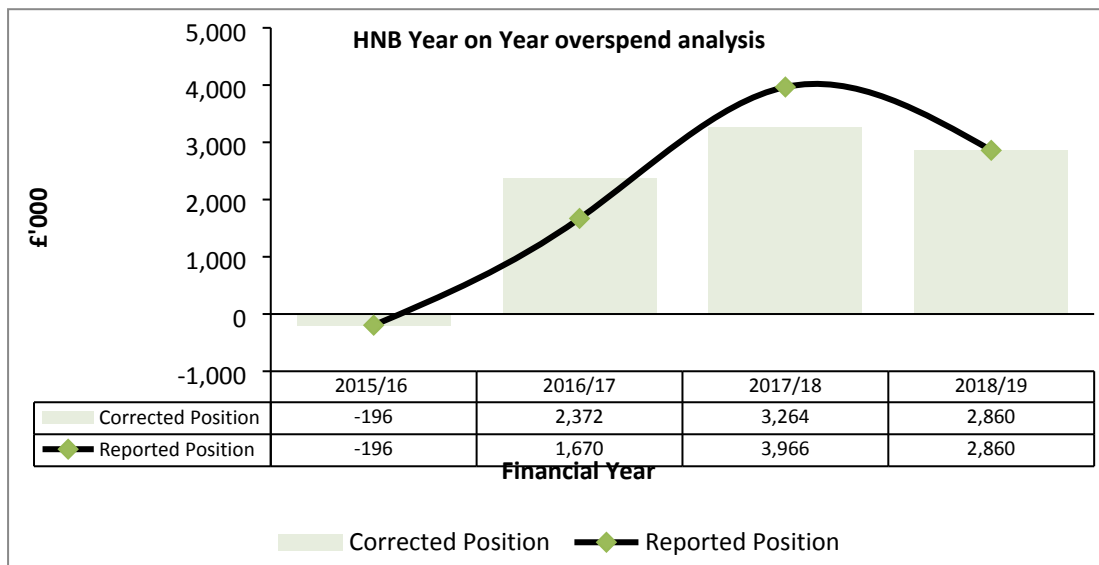
**TABLE 4**

<b>High Needs Block</b>	<b>Revised Budget 2018/19 £m</b>	<b>Outturn 2018/19 £m</b>	<b>Variance</b>
<b><u>Income</u></b>			
High Needs DSG	-17.845	-17.845	0.000
Schools Block Transfer	0.548	0.548	0.000
Central Block Transfer	0.276	0.276	0.000
<b>Income Total</b>	<b>-17.021</b>	<b>-17.021</b>	<b>0.000</b>
<b><u>Expenditure</u></b>			
HN Mainstream Based Top Ups - Nursery	0.055	0.055	0.000
HN Mainstream Based Top Ups - Maintained Schools	0.605	0.605	0.000
HN Mainstream Based Top Ups - Academies	1.480	1.480	0.001
HN Resource Based Top Ups - Nursery	0.073	0.073	0.000
HN Resource Based Top Ups - Maintained Schools	0.841	0.841	0.000
HN Resource Based Top Ups - Academies	1.467	1.468	0.001
HN Place Funding - Nursery	0.200	0.200	0.000
HN Place Funding - Maintained Schools	0.550	0.550	0.000
HN Place Funding - Academies	0.158	0.158	0.000
SS Based Top Ups	3.424	3.424	-0.000
SS Place Funding	0.064	0.064	0.000
Alternative Provision	0.659	0.659	0.000
Arbour Vale Pre Academisation Place Funding	1.689	1.689	0.000
Arbour Vale Pre Academisation Based Top Ups	1.964	1.964	0.000
Early Years Inclusion	0.000	0.000	0.000
Independent Special Schools	0.800	1.975	1.175
Post 16	0.132	0.763	0.631
Out-borough	0.750	1.416	0.666
HN Budget Gap	-0.376	-0.020	0.356
<b>Sub-Total</b>	<b>14.535</b>	<b>17.365</b>	<b>2.830</b>
<b><u>Centrally Retained Expenditure</u></b>			
SEND Financial Support	0.055	0.052	-0.003
SEN - Assessment Capacity	0.182	0.182	0.000
Early Years Inclusion	0.070	0.070	0.000
Hard to Place Pupils	0.267	0.405	0.138
Exclusions and Access to Education	0.032	0.033	0.001
Home Education	0.043	0.046	0.003
0-5 SEN Transport	0.046	0.046	0.000
Vulnerable Children Management Incl.	0.030	0.030	0.000
Autism Outreach Team	0.186	0.122	-0.064
EY SEN advisory Teachers/support Workers EY settings	0.118	0.118	0.000
EY SEN advisory Teachers/support Workers in Children's Centres	0.063	0.000	-0.063
SENCO Network	0.100	0.058	-0.042
SEND Teacher Advisor	0.118	0.063	-0.055



Sensory Impairment	0.470	0.406	-0.064
SALT	0.252	0.207	-0.045
Education Resource Services (Formerly LACES)	0.107	0.183	0.076
Primary Provision Behaviour	0.164	0.164	-0.000
<b>Sub-Total</b>	<b>2.302</b>	<b>2.184</b>	<b>-0.118</b>
PFI Contribution (HNB)	0.184	0.183	-0.001
Non Controllables	0.000	0.149	0.149
<b>Sub-Total</b>	<b>0.184</b>	<b>0.332</b>	<b>0.148</b>
<b>Total Expenditure</b>	<b>17.021</b>	<b>19.881</b>	<b>2.860</b>
<b>Projected End of Year Variance</b>	<b>-0.000</b>	<b>2.860</b>	<b>2.860</b>
<b>Brought forward Deficit from 2017/18</b>		5.440	
<b>Carry forward Deficit into 2019.20</b>		<b>8.300</b>	

### 8.3 Year on Year Analysis:



8.4 The above graph shows the reported position against the corrected position, after the treatment of accruals within FY 2016/17 and 2017/18 which ensures that expenditure falls within the year it was incurred. The 2018/19 in-year deficit, although significant, has reduced against the 2017.18 outturn.

8.5 A full account of the reasons for the **£8.300m** overspend is given below:

**£5.440m** Brought forward deficit from prior years’.

**£1.175m** Independent Special School spend above budget.

**£0.631m** Post 16 spend above budget

**£0.666m** Out of Borough spend above budget

**£0.356m** In-Borough spend for mainstream and resource based top-ups.

**£0.149m** Overhead charges

**(£0.118)** underspend against centrally retained items.

8.51 Independent Special Schools, Post 16, Out of Borough: This budget has been consistently overspending over the past three years, attributable to a mixture of increased demand and an inadequate budget provision. The tables beneath demonstrate this, with the respective overspends highlighted in yellow.

<b>2018/19</b>	Out-borough & Post 16	Independent SS	TOTAL
Budget	882,000	800,000	1,682,000
Outturn	2,179,162	1,975,333	4,154,495
<b>Variance</b>	<b>1,297,162</b>	<b>1,175,333</b>	<b>2,472,495</b>

<b>2017/18</b>	Out-borough & Post 16	Independent	TOTAL
Budget	785,190	800,000	1,585,190
Outturn	2,470,956	1,438,865	3,909,822
<b>Variance</b>	<b>1,685,766</b>	<b>638,865</b>	<b>2,324,632</b>

<b>2016/17</b>	Out-borough & Post 16	Independent	TOTAL
Budget	652,950	800,000	1,452,950
Outturn	1,524,502	1,264,847	2,789,349
<b>Variance</b>	<b>871,552</b>	<b>464,847</b>	<b>1,336,399</b>

8.52 **Post 16:** The reported outturn position is an overspend of **£0.631m**.

<b>Post 16</b>	
<b>Placement Cost Ranges</b>	<b>No of Pupils at Mar 18/19</b>
£0 - £5,000	44
£5,001 - £20,000	20
£20,001 - £50,000	8
£50,001 - £75,000	3
£75,001 - £100,000	0
+£100,000	0
<b>TOTAL</b>	<b>74</b>

<b>Post 16</b>	
<b>Placement Cost Ranges</b>	<b>No of Pupils at Mar 17/18</b>
£0 - £5,000	49
£5,001 - £20,000	16
£20,001 - £50,000	10
£50,001 - £75,000	1
£75,001 - £100,000	0
+£100,000	0
<b>TOTAL</b>	<b>76</b>

Post 16					
FY	Budget £	Outturn £	Variance £	No of Learners	Average Cost £
2017.18	132,240	671,729	539,489	76	8,839
2018.19	132,000	763,256	631,256	74	10,314

8.53 **Independent Sector:** The reported outturn position is an overspend of **£1.175m**. The tables below categorises placement costs for 2017/18, 2018/19 and the average cost per placement within an independent setting.

Independent Sector	
Placement Cost Ranges	No of Pupils at Mar 18/19
£0 - £5,000	7
£5,001 - £20,000	14
£20,001 - £50,000	30
£50,001 - £75,000	8
£75,001 - £100,000	2
+£100,000	0
<b>TOTAL</b>	<b>61</b>

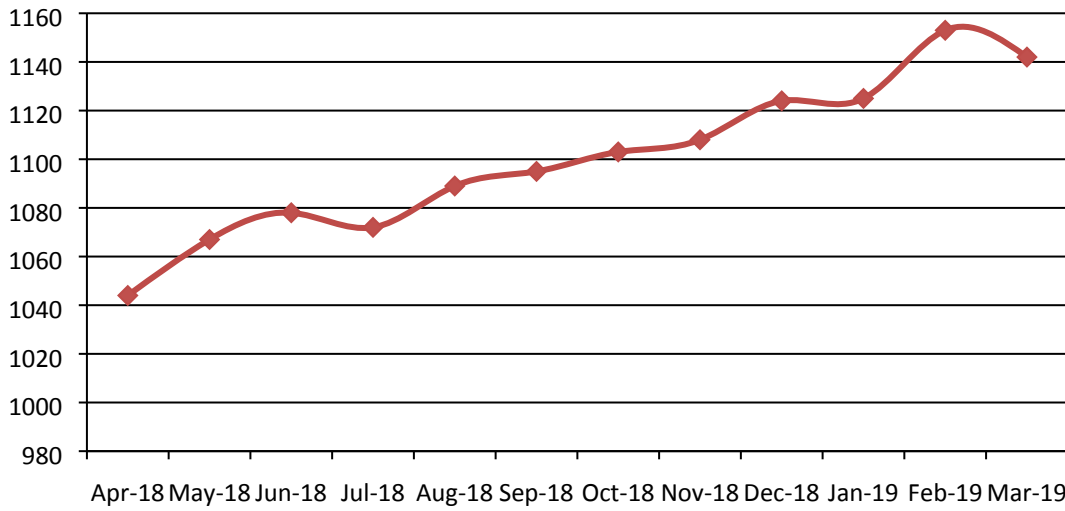
Independent Sector	
Placement Cost Ranges	No of Pupils at Mar 17/18
£0 - £5,000	4
£5,001 - £20,000	12
£20,001 - £50,000	20
£50,001 - £75,000	4
£75,001 - £100,000	1
+£100,000	1
<b>TOTAL</b>	<b>42</b>

Independent Sector					
FY	Budget £	Outturn £	Variance £	No of Learners	Average Cost £
2017.18	800,000	1,438,865	638,865	42	34,259
2018.19	800,000	1,975,333	1,175,333	61	32,383

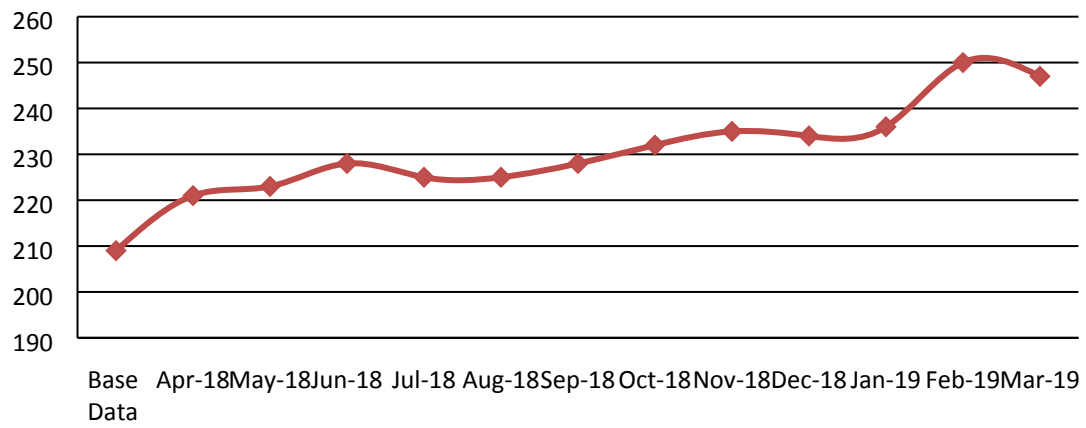
8.54 **Out of Borough:** This service has overspent by **£0.666m**, which is attributable to consistency higher placements made above budget.

8.55 **In-Borough:** The reported overspend for 2018/19 is **£0.356m**, which is broadly attributable to increased demand, which is demonstrable within the tables overleaf.

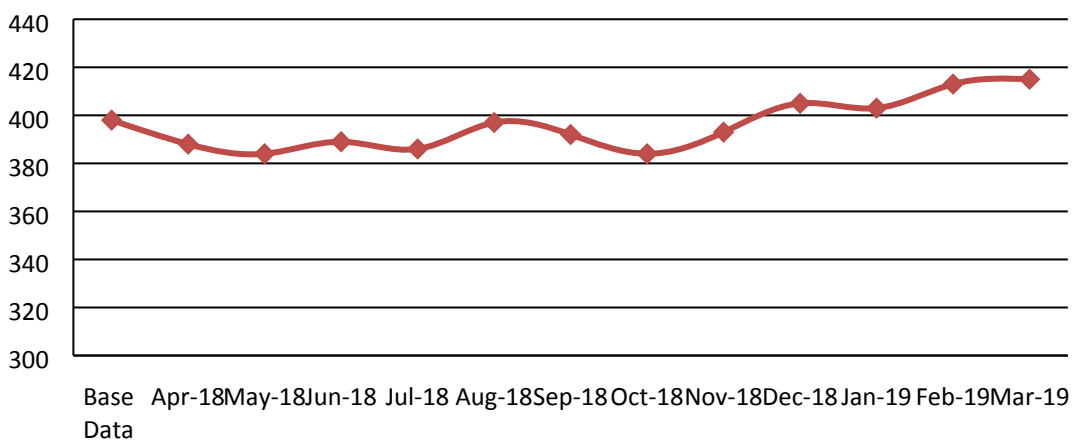
### SEND Total In-borough Pupils 2018.19

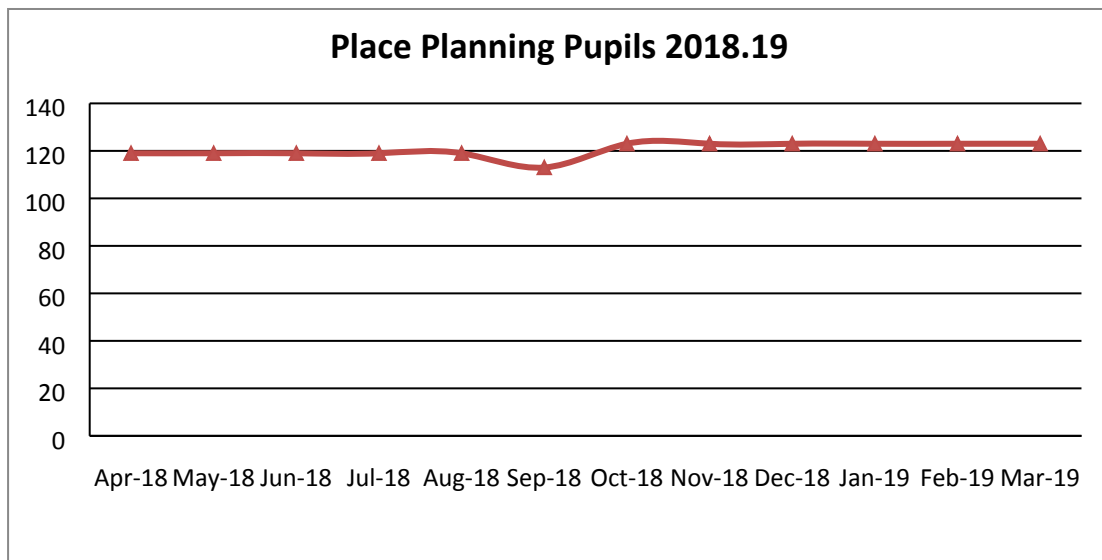
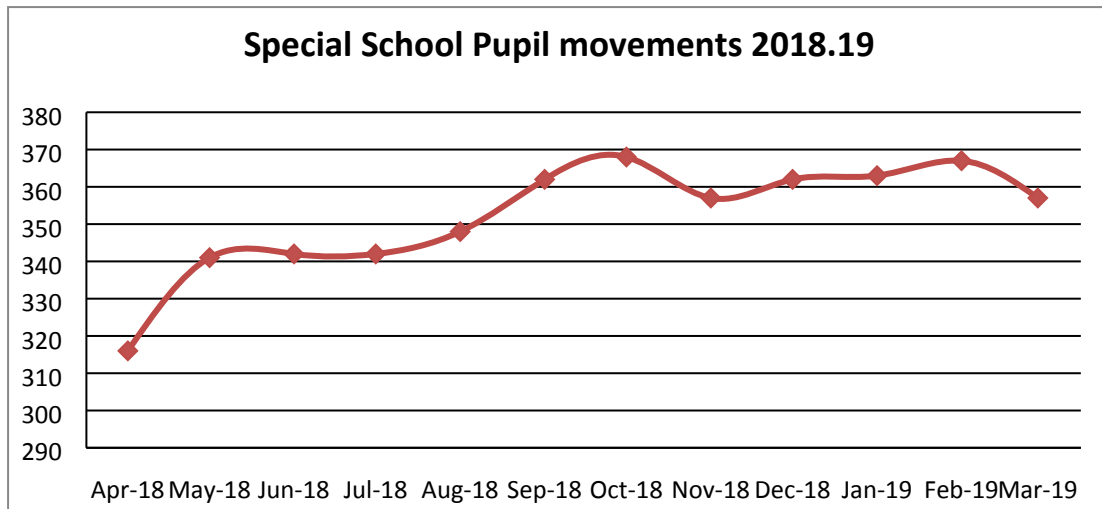


### Resource Based Pupil movements 2018.19



### Mainstream Based Pupils movements 2018.19





## 8.6 Centrally Retained Outturn.

8.61 **Hard to Place Pupils:** Reported overspend of **£0.138m**, which is attributable to a mixture of exclusion rates, fair access pupils, and placements made to East Berkshire College for students who were not placed within mainstream schools. The tables beneath analyses this data for 2017.18 & 2018.19.

Hard to Place Pupils					
FY	Budget £	Outturn £	Variance £	No of Learners	Average Cost £
2017.18	267,000	597,332	330,332	122	4,896
2018.19	267,000	404,571	137,571	112	3,612

Hard to Place Pupils	
Placement Cost Ranges	No of Pupils at Mar 18/19
£0 - £5,000	105
£5,001 - £20,000	7
£20,001 - £50,000	0
£50,001 - £75,000	0
£75,001 - £100,000	0
+£100,000	0
<b>TOTAL</b>	<b>112</b>

Hard to Place Pupils	
Placement Cost Ranges	No of Pupils at Mar 17/18
£0 - £5,000	110
£5,001 - £20,000	12
£20,001 - £50,000	0
£50,001 - £75,000	0
£75,001 - £100,000	0
+£100,000	0
<b>TOTAL</b>	<b>122</b>

8.62 **Autism:** Reported underspend of **£0.064m**. The team supports CYP aged 0-25 years that have a medical diagnosis of autism, as well as CYP with identified social communication difficulties. The underspend is attributable to a vacant post.

8.63 **EY Send advisory Teachers:** Reported underspend of **£0.063m** owed to unfilled posts.

8.64 **SENCO Network, SEND Teacher Advisor and Sensory Impairment:** Reported underspend of **£0.161m** primarily owed to staffing efficiencies.

8.65 **SALT:** End of year underspend of £0.045m, owed costs being met from elsewhere.

## 9. School Balances

9.1 A list of the actual balances carried forward by maintained schools is listed in table 5 below. This shows 2 nurseries now in deficit and one primary school with very low balances.

9.2 Schools with low balances or who are in deficit will receive special attention over the coming year so that the local authority is satisfied that robust plans are in place to ensure that the school is in good financial health. **All** maintained schools are required to submit a three year budget plan as well as a recovery plan, where they envisage a deficit. If a school has accumulating balances above the prescribed limits as per the Scheme for Financing schools, are required to demonstrate how they will commit those above threshold balances. Any balances that remain uncommitted after this exercise, will be clawed back, with a report presented to this forum to facilitate discussion around options for their usage.

- 9.3 LA officers will be analysing all budget plans and will RAG rate them according to the severity of the indications. The appropriate discussions and actions will be had in-line with these indications.

**TABLE 5**

School Balances	As at 31st March 2018	As at 31st March 2019	Change	Estimated Revenue 2019.20	Current Balance %	Budget Control Mechanism	Amount over
Nursery 1	-164,201	-75,568	88,633	-543,918	13.89%	8%	-32,055
Nursery 2	-108,090	38,529	146,619	-500,360	-7.70%	8%	0
Nursery 3	-241,040	-223,890	17,150	-679,390	32.95%	8%	-169,539
Nursery 4	-231,279	-237,482	-6,203	-522,430	45.46%	8%	-195,688
Nursery 5	-218,282	115,190	333,472	-740,840	-15.55%	8%	0
Primary 1	-1,144,595	-706,841	437,754	-7,878,820	8.97%	8%	-76,535
Primary 2	-46,206	-101,588	-55,382	-1,950,180	5.21%	8%	0
Primary 3	-214,643	-29,245	185,398	-1,922,440	1.52%	8%	0
Primary 4	-3,231	-27,514	-24,283	-2,767,920	0.99%	8%	0
Primary 5	-154,968	-284,960	-129,992	-3,689,760	7.72%	8%	0
Primary 6	-45,238	-122,044	-76,806	-866,020	14.09%	8%	-52,762
Primary 7	-1,763,301	-1,618,959	144,342	-4,908,660	32.98%	8%	-1,226,266
Primary 8	-136,475	-243,142	-106,667	-2,854,000	8.52%	8%	-14,822
Primary 9	-743,241	-867,005	-123,764	-3,060,980	28.32%	8%	-622,127
Primary 10	-220,412	-254,865	-34,453	-2,764,900	9.22%	8%	-33,673
Secondary 1	-29,302	-219,717	-190,415	-3,976,997	5.52%	5%	-20,867
Secondary 2	-728,035	-706,388	21,647	-5,508,680	12.82%	5%	-430,954
Special School	363,536	0	-363,536	0			0
	<b>-5,829,002</b>	<b>-5,565,489</b>	<b>263,513</b>	<b>-45,136,295</b>			<b>-2,875,288</b>

- 9.4 Main reasons for in-year variations:  
 Reduction in funding due from lower participation rates against static costs.  
 Use of funds to service capital related works.  
 Corrections made to balance sheets to accommodate the write off of historic anomalies.

- 9.5 The table over leaf demonstrates the performance of schools forecasting for the 2018.19 financial year. It compares its budget plan, its Dec 18 forecast and its final outturn.

**TABLE 6**

School	Planned in-year (Surplus)/Deficit	Dec 18 Forecast to year end (surplus)/Deficit	Mar 19 End of Year (surplus)/Deficit
Nursery School 1	-0.025	0.034	0.089
Nursery School 2	0.079	0.131	0.147
Nursery School 3	0.073	-0.004	0.017
Nursery School 4	0.041	-0.027	-0.006
Nursery School 5	0.055	0.102	0.333
Primary School 1	0.068	0.141	0.438
Primary School 2	0.007	-0.023	-0.055
Primary School 3	0.125	0.016	-0.034
Primary School 4	0.225	0.263	0.185
Primary School 5	0.000	-0.041	-0.024
Primary School 6	0.119	-0.037	-0.130
Primary School 7	0.045	0.038	-0.077
Primary School 8	1.294	0.298	0.144
Primary School 9	0.015	-0.072	-0.107
Primary School 10	0.057	0.011	-0.124
Secondary School 1	0.057	0.006	-0.190
Secondary School 2	0.000	0.146	0.022
Special School	-0.363	-0.363	-0.363
<b>TOTAL</b>	<b>1.872</b>	<b>0.619</b>	<b>0.264</b>

9.51 The table highlights a mixture of in-year financial performance. The net position is a worsening of schools' balances, however the bulk of this adverse movement relates to either one-off capital costs, or prior year corrections.

9.52 The table demonstrates that schools are generally overly cautious in their forecasting, either understating income, over stating expenditure, or a mixture of both. It must be noted that there are some significant, but genuine changes to forecasting which is explained within the school's budget monitoring report. Some examples are un-replaced resignations, vacancies which were forecast for, been held vacant, and lower revenue to capital transfers.

## 10 ALTERNATIVE OPTIONS CONSIDERED

## 11 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Monitoring Officer



- 11.1 The relevant legal provisions are contained within the main body of this report.

Section 151 Officer – Strategic Director of Resources

- 11.2 The financial implications of the report are outlined in the supporting information.

**12 CONSULTATION**

Principal Groups Consulted

Not Applicable

Method of Consultation

Not Applicable

Representations Received

Not applicable.

Contacts for further information

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