

## SCHOOLS FORUM

### **Budget Monitoring Period 9 2016/17**

#### **.01 Purpose of the Report**

To provide the Schools Forum with an update of the projected 2016/17 financial position. The report's objective is to help Forum to understand the financial pressures which are currently being faced, and explore how they may be mitigated.

#### **.02 Suggested Action**

The Forum is asked to note the contents of this report and work with Finance colleagues to ensure a clear understanding of the likely 2016/17 outturn.

#### **.03 Background**

This report provides an update of the anticipated financial outturn for 2016/17, taking into account revised estimates from all schools.

The paper examines the rolled up position (budget, YTD actuals and projected full-year position) as currently reported in the Council's financial reporting system WiSER.

#### **.04 Financial Summary**

The current projection for this financial year is as follows:

Summarised Financial Position	s251 Budget 2016/17	Actuals Dec 2016	Forecasted position at March 2017	Variance Budget v Forecast
Expenditure	£000	£000	£000	£000
ISB and PVI allocations	111,817	110,144	112,879	1,062
Central Expenditure	13,696	9,006	14,907	1,211
Total Schools Budget	125,513	117,950	127,786	2,273
Funding				
Dedicated Schools Grant	(116,820)	(76,786)	(117,809)	(989)
DSG Other	(56)	(1,384)	(2,203)	(2,147)
EFA	(8,324)	(5,245)	(6,156)	2,168
In year adjustments b/fwd to 2016/17	0		(1,081)	(1,081)
Total Funding	(125,200)	(83,415)	(127,249)	(2,049)
Total in-year (surplus)/ deficit	313	34,535	537	224
Brought Forward (surplus) /Deficit balance	(1,151)	(2,177)	(1,096)	55
<b>TOTAL YEAR-END (SURPLUS)/DEFICIT</b>	<b>(838)</b>	<b>32,358</b>	<b>(559)</b>	<b>279</b>
Underlying (surplus) / deficit	(838)			

Key points to note are:

- 1) Schools Block and Early Years Contingencies :  
Budget and actual spent to be presented and discussed treatment of actions
- 2) Growth Spend Analysis  
Detailed information is provided in Appendix B.
- 3) December 2016 returns from schools issues:
  - a) Deadlines not met by some schools
  - b) Incomplete returns submitted
  - c) Support documents not always submitted with returns
- 4) The net overall year-end (surplus) / deficit position is now projected to be (£559k) which is an improvement on the planned (£500k) which was agreed at January Forum.

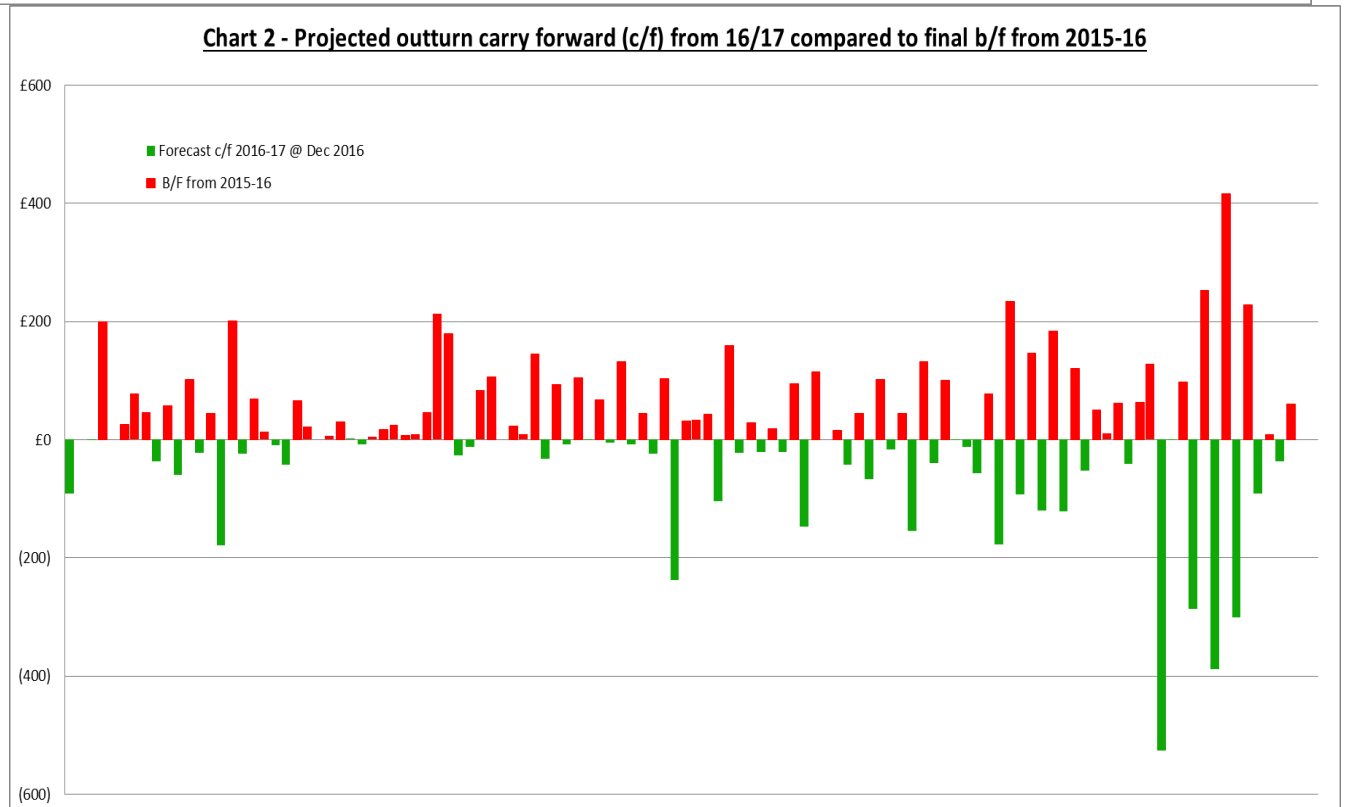
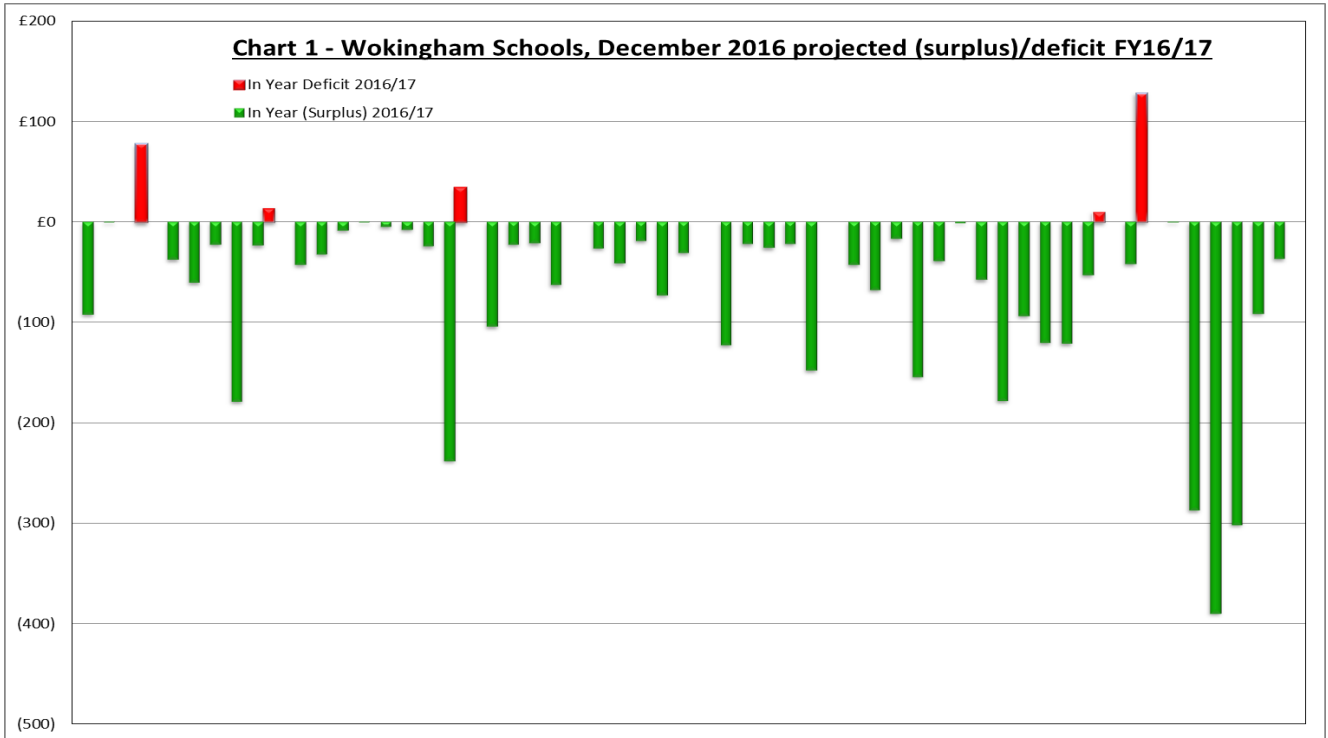
Detailed information is provided in Appendix A.

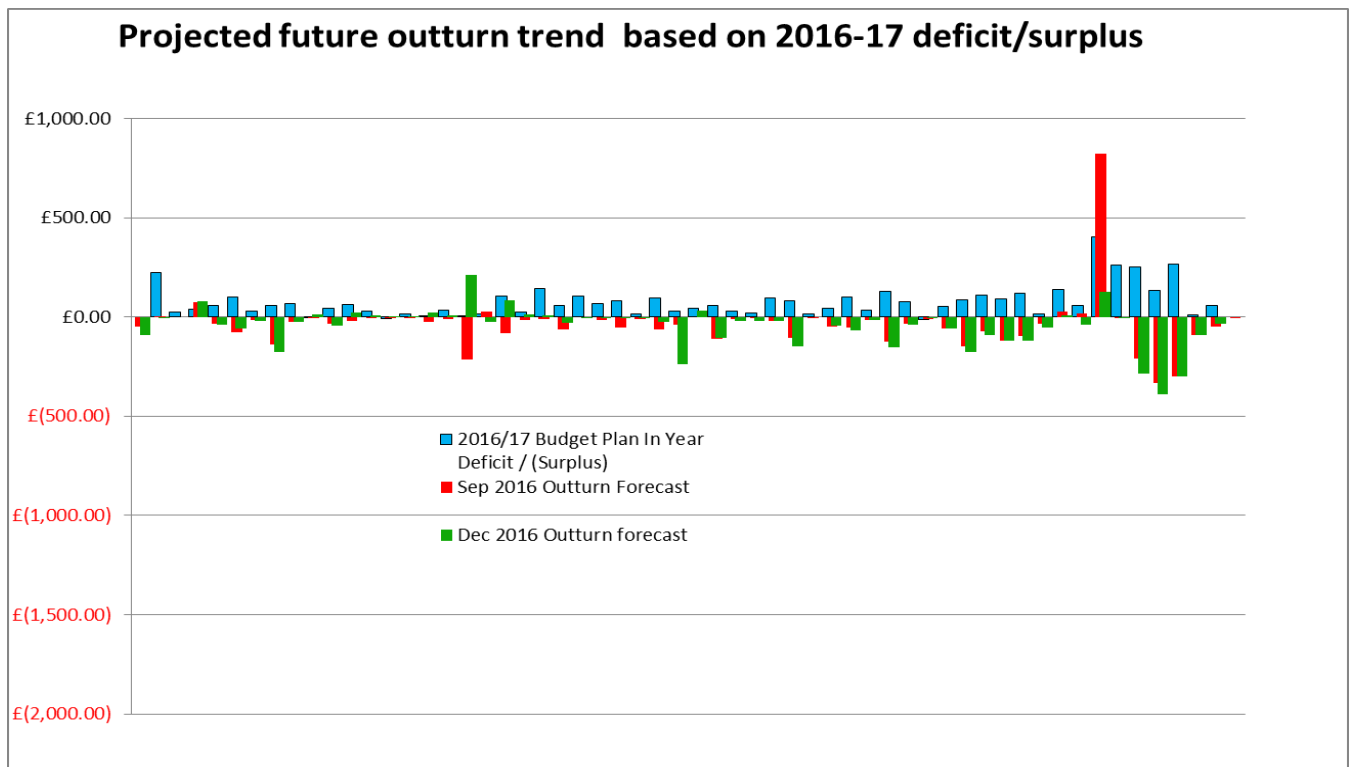
## .05 Schools Position

The Schools Finance Team continues to work closely with colleagues in schools to determine the likely financial outturn for the financial year. Analyses of the combined position suggests that the vast majority of schools were facing deficits this year but are being kept afloat by carry forward balances and / or other sources of funds.

The following anonymised charts refer:

- 1) Chart 1 – Projected (surplus) / deficit by school as at December 2016.
- 2) Chart 2 – A comparison of projected carry forward balances between 15/16 and 16/17.
- 3) Chart 3 – Examines the projected outturn trend.





**.07 Next Steps**

- a. The Schools Finance Team to complete their school budget monitoring task, and ensure that WiSER reflects the agreed position by the end of March 2017.
- b. Where cumulative deficits for 2016/17 are a reality the Schools Finance Manager and Head of Finance will work with schools to address - potentially via the use of loan agreements.

**.08 Recommendation**

That the report is noted and that schools continue to work with the Council's Finance Team to ensure a clear understanding of the 2016/17 financial position and ensure that any emerging deficits are addressed in an appropriate manner.

**John Ogden  
Head of Finance  
February 2017**



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