

AGENDA ITEM 8

REPORT TO SCHOOLS FORUM

12th NOVEMBER
2024

SCHOOLS BUDGET MONITORING REPORT 2024/25

SUMMARY

1. This paper provides members of the Forum with the current projected outturn position on the Schools Budget based on information to the end of September 2024.
2. The Dedicated Schools Grant (DSG) budget was set for 2024/25 assuming a small overall saving of £17k, intended to reduce the DSG deficit down to £3.78m at the end of 2024/25. This was in-line with our Delivering Better Value (DBV) submission to DfE in January 2024.
3. However, based on a review of projected expenditure on High Needs at quarter 2 (outlined below) it is now expected that this target will not be met. Instead, an in-year overspend of **£536k** is now expected which will increase the cumulative deficit b/fwd from 2023/24 of **£3.8m** up to **£4.3m** instead of the budgeted position of **£3.78m**. This revised position will be reflected in the medium term financial plan.
4. Please note however that the projected overspend described above does not take account of any potential offsetting savings on other DSG blocks. For example, we have seen a significant increase in funding for the Early Years Block relating to the Governments childcare expansion programme. The funding rates we have set are based on estimated activity levels and once the data has been analysed for the summer and autumn terms 2024, quarter 3 should provide a more accurate picture

RECOMMENDATION

5. That the Schools Forum note the current financial position on the schools budget.

School Budget

6. **Appendix 1** shows the revised budget against the projected outturn for 2024/25 on the Schools Budget as at 30th September, in the prescribed DfE Section 251 reporting format. The reasons for significant variances between planned and projected spend are: -

- a. Line 1.2.1 Top-up funding – maintained schools - **c£57k estimated overspend** on top-ups relating to an increase in the number of pupils placed in other LA maintained schools (4 new placements since the budget was set). This is **offset by c£100k saving** on the SBC maintained schools top-up contingency budget which reflects further academisation.
 - b. Line 1.2.2 Top-up funding – academies, free schools and colleges – Anticipated **£200k overspend** resulting from a significant increase in the levels of funding requested by SBC Special Academies. Also, **£167k overspend** in 1:1 support costs and top-ups for additional placements for SEND pupils placed in other LA maintained schools (4 new placements since the budget was set).
 - c. Line 1.2.5 SEN support – **£29k overspend** on the Middlesbrough HI/VI service. Increased costs arising from a review of the joint arrangement charges which mainly resulted from increases in employer's teacher's pay and pension costs.
 - d. Line 1.2.7 Other AP provision - **£200k overspend** on tutoring costs and other support for excluded pupils.
7. Any surplus or deficit on the Schools Budget supported by Dedicated Schools Grant (DSG) is carried forward to the following financial year.

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