

SCHOOLS FORUM

Meeting date: 20th June 2019

**From: Daniel Barton
Assistant Director – Education & Skills**

SCHOOLS DE-DELEGATED CONTINGENCY BUDGET – BUDGET OUTTURN 2018-19

1.0 EXECUTIVE SUMMARY

This report presents the outturn position on the de-delegated contingency budget for the 2018-19 financial year as at 31st March 2019. The budget underspent by £0.003m.

In accordance with the Dedicated Schools Grant conditions, the underspend on the de-delegated contingencies budget at 31st March 2019 has been carried forward into the Dedicated Schools Grant earmarked reserve.

2.0 STRATEGIC PLANNING AND EQUALITY IMPLICATIONS

- 2.1 *Ensuring that Cumbrian schools are funded appropriately is supportive of the Council Plan outcome that ‘People in Cumbria are healthy and safe’.*

3.0 RECOMMENDATION

- 3.1 *The Schools Forum is asked to note the 2018-19 outturn position for the contingency budget.*

4.0 BACKGROUND

- 4.1 The de-delegated contingency budget for 2018-19 was £0.666m.
- 4.2 The DfE guidance states that the contingency budget can be used for three purposes:
- Circumstances which were unforeseen when the school’s budget share was initially determined.
 - Schools in financial difficulties

- Additional costs relating to new, reorganised or closing schools

4.3 In line with the School and Early Years Finance Regulations, the budget is a de-delegated budget and therefore only relates to maintained schools and not academies.

4.4 Appendix 1 presents the outturn position for 2018-19 as at 31st March 2019.

4.5 The forecast position is broken down into the three purposes for which the budget can be used as shown in the table below. Each area is described in more detail below.

Purpose	Forecast Outturn (Q2)
Circumstances which were unforeseen when the school's budget share was initially determined.	£0.576m
Additional Costs relating to New, Closing or Amalgamated Schools	£0.087m
Total	£0.663m
Budget	£0.666m
Forecast Underspend	(£0.003m)

Circumstances which were unforeseen when the school's budget share was initially determined.

4.6 As per previous years, the areas of expenditure here are ill health retirements £0.300m, settlement agreements in schools in line with the agreed policy £0.228m, administration costs of the Teachers Annual Return £0.020m and additional staff costs relating to staff absence for a school in financial difficulty £0.008m and legal costs relating to tribunals £0.019m.

Additional Costs relating to New, Closing or Amalgamated Schools

4.7 The two areas of expenditure here are the final teaching and learning responsibility (TLR) payments £0.007m relating closed schools Southfield and Stainburn which have now ended and Dean CE School £0.080m which received an academy order to become a sponsored academy as at 1st February 2019. As previously reported in line with DfE guidance where a school with a deficit is to open as a sponsored academy the deficit remains with the LA and can be funded from a de-delegated contingency provision.

4.8 In accordance with the conditions of grant the underspend of £0.003m against the de-delegated contingency fund has been transferred to the Dedicated Schools Grant earmarked reserves.

5.0 OPTIONS

- 5.1 The Schools Forum is asked to note the outturn position on the contingencies budget for 2018-19.

6.0 RESOURCE AND VALUE FOR MONEY IMPLICATIONS

- 6.1 Resource and value for money implications are considered throughout this report.
- 6.2 In line with the grant conditions, the underspend on the contingencies budget of £0.003m has been transferred into the DSG central earmarked reserve at 31st March 2019.
- 6.3 A separate report also presented to this meeting entitled 'DSG Earmarked Reserves 2018-19' provides detail on the reserve at 31st March 2019 which has a deficit balance of £3.841m.

7.0 CONCLUSION

- 7.1 This paper presents the 2018-19 forecast outturn position on the de-delegated contingencies budget, which the Schools Forum is asked to note.

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Accompanying Documents:

Appendix 1 – Schools Contingency Budget Forecast Outturn 2018-19

REPORT AUTHOR

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