

ANNEX D – DSG FORECAST KEY VARIANCES AND MANAGEMENT ACTIONS

The DSG is reporting an anticipated surplus carry forward at the end of 2020/21 of £1.671m.

Table 1 - The DSG High Level Forecast Summary to June 2020:

DSG Forecast	£m					Total
	Schools	Central School Services	Early Years	High Needs		
2019/20 Budgeted Surplus C/F	(0.727)	0.000	(0.243)	(1.666)		(2.636)
2020/21 Budgeted DSG Allocation	(203.584)	(1.496)	(21.609)	(44.446)		(271.135)
2020/21 Budgeted Expenditure	204.284	1.496	21.609	44.447		271.836
2020/21 Budgeted Carry Forward	(0.027)	0.000	(0.243)	(1.665)		(1.937)
2019/20 Actual Surplus C/F	(0.792)	(0.006)	(0.076)	(1.222)		(2.096)
2020/21 Actual DSG Allocation	(203.584)	(1.496)	(21.609)	(44.446)		(271.135)
2020/21 Forecast Expenditure	204.241	1.496	21.609	44.214		271.560
2020/21 Forecast Carry Forward	(0.135)	(0.006)	(0.076)	(1.454)		(1.671)
Variance to Budget	(0.108)	(0.006)	0.167	0.211		0.264

Table 2 – High Level Variations

Service Area	DSG	Responsible Officer	Mac Heath	Forecast Variance £m	(£1.671m)
Key Variations:					
<ul style="list-style-type: none"> ● Schools Block 0.1%: Forecast surplus carry forward into 2021/22 of £0.135m which will be held and allocated through the 2021/22 funding formula. The in year underspend is as a result of an increased surplus carry forward of £0.065m from 2019/20 and £0.043m on rates funding. 					
<ul style="list-style-type: none"> ● Central School Services 0.4%: Forecast surplus carry forward into 2021/22 of £0.006m as a result of a surplus carry forward from 2019/20. 					
<ul style="list-style-type: none"> ● Early Years Block 0.3%: Forecast surplus carry forward into 2021/22 of £0.076m which is being held to manage the volatility of take up within the block. The £0.167m in year overspend is as a result of a reduced surplus carry forward from 2019/20. The final 2019/20 funding allocation is yet to be confirmed (expected July 20) and this may impact on the 2019/20 allocation. 					
<ul style="list-style-type: none"> ● High Needs Block 3.3%: Forecast surplus carry forward into 2021/22 of £1.454m. The in year overspend is as a result of a reduced surplus carry forward of £0.444m from 2019/20 offset with an in year underspend on: <ul style="list-style-type: none"> ○ Independent special school placements forecast underspend of £0.232m, based on current packages in place. Of the 21 packages across 38 week and 52 week placements, 3 are due to finish at the end of July 2020. ○ Two independent specialist college placements ending in July 2020, resulting in a forecasted underspend of £0.083m. ○ Special school top funding forecast overspend of £0.055m. This is due to growth in pupil numbers seen from April 2020. The budget was set based on 786 MKC pupils (so not those pupils who receive top up funding from another local authority), whereas the number of pupils receiving top up funding in July 2020 totals 798. Additional growth has been built into the budget from September 2020. ○ Specialist equipment, including Integrated community equipment forecasted overspend of £0.050m based on average monthly payments made in 19/20 from September 2020 onwards, as less equipment has been required in the Summer term. 					

