

**FINANCE WORK GROUP
REPORT TO FORUM
FOR PRESENTATION AT FORUM
ON Thursday, 27 September 2018**



Date of Work Group meeting: 10 September 2018

Items discussed (brief summary of key items):

- **Chair and Vice Chair** – David Lewis was elected as Chair and Andrew Wilkins as Vice-chair for 2018-19.
- **Out-of-Borough Placements Contract** - As requested at the last meeting, the Learning Agreement for out- of-Borough placements was tabled.
- **Out-turn Monitoring Statement** - This covers the period up to September 2018 and shows an anticipated deficit on the Dedicated Schools Grant of £1.466m. This consists of:
 1. A carry forward overspend on the Schools Block of £246k from 2017-18 (mainly from growth spending)
 2. A carry forward overspend of £199k from 2017-18 (from High Needs)
 3. An anticipated deficit on independent fees for 2018-19 of £1m (on the High Needs Block)The Early Years Block which was looking at a £755k overspend in July has received a Government additional allocation of £641k, leaving a 2017-18 overspend of £114k. It is hoped to cover this from within this year's allocation of £13.7M.
Discussion centred on getting the out-of-Borough spending under control.
- **DfE Funding for 2019-20** - SF tabled a paper, based on his report to the July Forum, for the funding of the Schools Block and Central Block and referencing the Government's 2019-20 funding document published in late July 2018. The emphasis was on stability with no major changes until the Financial Statement due in 2020. There are no major changes to the way schools are funded, there will be a slight increase in High Needs funds for next year and minor changes to the way growth is funded. Details on Early Years funding will be made later in the year. The funding of schools through the Local Authority Formula will continue in 2020-2021 and the Government mentions future plans to reduce expenditure on historic items, but no details have yet been published. Alongside the proposals, the Government published tables on individual school and central allocations. These should be read with caution as they are based on last year's census figures and have not been applied to the local formula or academy trust systems. More detailed budgets will be published later in the year.
- **Review Terms of Reference of Finance WG** – Under the annual review one minor change was proposed - that Finance WG agendas, minutes and reports are no longer published on the open Forum website, but are published on the SMBC/Forum extranet site, which will be accessible by password only. As a statutory requirement, Forum documents will continue to be published on the open website.
- **Procurement Update** - Chris Lowe provided an update on contracts which are up for review; these included School Grounds Maintenance, Non-domestic Waste, School Transport and Cleaning. It is proposed to consult with schools through Heads and Finance Officers on the renewal of these contracts; and the more general review of the Contracts for Schools document which dates back to 2005.

DL/10/9/18