**Narrative for Budget 2021-22**

After another very different year, setting the budget using our preferred zero based budget method has not been the best approach to take this year. The budgets have been forecast centrally with information gathered from budget holder in an informal way.

Hopefully next year we will have a good foundation to return to the more formal request and review based budget setting method.

The initial contingency (reserves) are set at £303,749 with an in-year surplus of £90,834 expected.

A comparison of values set this year against values set last year, as well as actual spending last year, can be made by looking at the first three columns on the latest 5 year forecast. Column 1 shows the initial agreed budget for 2020-21 as set in June 2020. Column 2 shows the forecast final income and expenditure for 2020-21 as calculated in June 2021. Column 3 shown the budget figures set for 2021-22.

**Income**

* Revenue and Capital balances brought forward from 2020-21 (forecast) are as per Appendix 1 tab.
* Balances brought forward are as per 2020-21 Outturn Budget Position Report for May 2021.
* GAG income is as per published statement
* 6th form and Pupil premium are as per published statements and figures
* Teachers pension and pay grants are for 6th form only and have been calculated following ESFA guidance.

**Expenditure**

* Staffing costs are taken from latest calculator for 2021-22.
* Pupil premium staffing contribution has been moved to “Pupil premium transfers to other cost centres” to better reflect the use of funding.
* “Maintenance of Premises” lie added to reflect the in-year contribution to the Astro sinking fund being moved into reserves.
* All other cost centres set to include an increase from 2020-21 wherever needed, and any other factors that we are aware of at this time.