**Narrative for Forecast Budget Position -**

**June 2020**

**The current estimated carry forward figure is:**

**Revenue: £52,570** Previous Revenue: £72,663

**Capital: £15,675** Previous Capital: £30,505

**Total: £68,245** Previous Total: £103,168

**Budget Position**

The most significant variances from the budget and last outturn report are:

* Impact of covid-19 shutdown
* Revised in year staffing costs
* Significantly more CAPITAL expenditure expected in 2019-20
* Year-end expected over\underspends included as per the data used for setting a budget for 2020-21 (There will most likely be further savings on department and resourcing budgets by the end of August, but for now I have made my best estimate of what expenditure is still to come.)

**Staffing**

The outturn report has been calculated using updated staffing costs from the latest revised version of the staff calculators.

This includes the 2.75% increase for teachers and an estimated 2.75% for support staff. It also includes the 0.7% increase in pension costs for support staff from April 2020 onwards.

Previous reports did not include the pension increase as it hadn’t been announced, and were based on 2% pay increase. While the 2.75% not been finalised, it is looking highly likely now that this will be the figure agreed upon.

**Covid-19**

Some of the main costs and savings are highlighted below.

By far the biggest impact has been the expected loss of revenue from Lettings\Astro\Sports Hall of (£59,500). We have also incurred around £17,000 of fees associated with the catering service which would normally have been absorbed by the profit on sales. We may be able to re-claim the catering fees as they are unexpected and directly related to Covid-19, but that is not certain at the moment. The ESFA have already confirmed that we will not be able to claim for loss of traded income so the lettings is a definite loss.

On the other side, we have achieved savings of around £6,000 on exams mainly as we will not be employing invigilators this summer. We are also expecting to save around £11,000 on staff and student free school meals. We have also saved approximately £12,000 on department and resourcing budgets which are not expected to be fully spent.

The current estimation of the cost impact of covid-19 is a loss of between approximately (£35,000) and (£45,000) for 2019-20.