

25 September 2023

Dear Colleague

### **School Revised Budget Setting 2023/24**

School revised budget plans must be submitted to the Local Authority (LA) by 1 November 2023, following approval by your governing body or a committee authorised to approve the budget. The original budget guidance is still appropriate for the revised budget but there is some additional information on energy prices, pay increases and a summary of grant funding that should be read in conjunction with the original budget guidance and can be found [here](#).

If you have an in-year deficit for 2023/24 (even if you have an overall surplus balance), please provide an explanation of why this has occurred on the revised budget workings page of the budget plan spreadsheet, as this will assist us in our checks and will avoid the need to contact you later. If the reason for this is ongoing expenditure such as pay costs rather than one off spend, please also include a summary of the actions you are taking to mitigate this position.

Regardless of balances, schools will also need to complete the variance analysis tab which explains the movement between the original and revised budget.

Schools are not permitted to plan for a deficit budget in normal circumstances so if you are having difficulty setting a balanced revised budget for 2023/24 please contact Michelle Hibbert – Schools Funding Accountant, as soon as possible. A reminder on the rules for deficit balances is outlined in the Scheme for Financing Schools and can be found [here](#).

Yours sincerely

Jordan McDougall  
Children's Services Finance Manager

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#### **Finance**

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