



Northumberland County Council

Wellbeing and Community Health

Agenda Item : 6

SCHOOLS FORUM

30 September 2020

School Balances as at 31 March 2020

1. PURPOSE OF REPORT

To inform Schools Forum of the position regarding School Balances as at 31 March 2020.

2. RECOMMENDATIONS

Schools Forum members are recommended to read the report prior to the meeting and table any questions, preferably in advance or at the meeting.

3. BACKGROUND

Maintained schools submitted their returns regarding the use of School Balances as at 31 March 2020. This is separate to their budget plans, and details their balances. Schools are allowed to carry forward a percentage of the budget without penalty, any funds in excess of this figure need to be supported with details of future spending intentions. The relevant percentages are shown below:

- Primary/Special schools 16% of the new financial year budget share;
- Middle/High schools 10% of the new financial year budget share

No schools were above the limit; therefore no funds need to be clawed back.

4. CURRENT POSITION

The original aggregated balances figure brought forward into 2019/20 was £3.689m (As at 1 April 2019), as reported to Schools Forum in October 2019. This represented 125 schools. However this figure has been reduced by £0.725m to reflect those 9 schools that formed the Tyne Community Learning Trust with effect from 1 September 2019, academising during the course of the year. The adjusted balances therefore reflect those schools reflected in both the 2019/20 opening and closing balances.

Of the 116 schools that remained maintained throughout 2019/20, overall balances actually fell by £666k, from £2.964 million to £2.298 million. Differences between the different phases are shown below:

OVERALL BALANCES :	No of Schools	2018-19	2019-20	Change	Change (%)
First/Primary	96	2,988,176	2,380,890	(607,286)	-20.3%
Middle	8	716,897	714,312	(2,585)	-0.4%
High/Secondary	4	(1,835,772)	(1,669,284)	166,488	9.1%
Special	8	1,095,476	872,397	(223,079)	-20.4%
	116	2,964,777	2,298,315	(666,462)	-22.5%

Overall falls in balances were reported across all phases, with the exception of High / Secondary Schools, which were influenced by agreed additional revenue support to one school. While as a group the first / primary schools saw an increase in balances during 2018/19, this group has seen a 20% fall in 2019/20. While the 8 Special Schools showed a fall in balances overall, this was influenced by a significant fall in balances at one school with which additional work is being undertaken.

In simple terms falling overall balances means that in practice expenditure is continuing to exceed income during the financial year concerned, though this may be influenced by a number of factors such as pressures on budgets, and schools making a decision to use balances they are holding on specific revenue or maintenance projects.

Further analysis is available of the respective phases to identify the % of schools in each phase with surplus balances:

- At first / primary, 67 (69.8%) of schools have a surplus or positive balance, these total £3.803 million, the average balance of these schools is £57k.
- 7 (80%) of the 8 middle schools have a surplus balance, totalling £714k, the average balance of these schools is £103k.
- 1 (25%) of the 4 high / secondary schools have a surplus balance, totalling £121k; As the majority of the secondary / high schools in Northumberland are now academies, caution should be taken when interpreting these results due to the small sample size, though clearly their remains pressure with 3 out of 4 maintained High Schools being in deficit.
- Including the PRU, 6 of the 8 Special Schools have a surplus balance, totalling £1.253 million; the average balance of these schools is £209k.

5. SUMMARY AND CONCLUSIONS:

The above figures indicate the continuing pressure on School budgets, though the increase in resources in 2020/21 may see more stability. Individual School balances will not be published at this stage in the year while we continue to work with Schools in relation to their budgets. All maintained school figures are published by the DfE in December 2020, after which they will be reported to Schools Forum.

Bruce Parvin
Education and Skills Business Manager

14 September 2020

ANALYSIS OF MOVEMENT IN MAINTAINED SCHOOL BALANCES 2019/20

	(as at 31 March 2019)	(as at 31 March 2020)	Movement in Year
Aggregated balances for schools with deficits	2018-19	2019-20	Change
First/Primary	(656,163)	(1,422,243)	(766,080)
Middle	9,083	(8,310)	(17,393)
High/Secondary	(2,002,664)	(1,790,600)	212,064
Special	3,023	(380,302)	(383,325)
	(2,646,721)	(3,601,455)	(954,734)
Number of schools with deficit balance	2018-19	2019-20	Change
First/Primary	23	29	6
Middle	1	1	0
High/Secondary	3	3	0
Special	1	2	1
	28	35	7
Average Balance of Schools in deficit			
First/Primary	(28,529)	(49,043)	(20,514)
Middle	9,083	(8,310)	(17,393)
High/Secondary	(667,555)	(596,867)	70,688
Special	3,023	(190,151)	(193,174)
AVERAGE ALL SCHOOLS WITH DEFICIT	(94,526)	(102,899)	(11,314)
Aggregated balances for schools with surpluses	2018-19	2019-20	Change
First/Primary	3,644,339	3,803,133	158,794
Middle	707,815	722,622	14,807
High/Secondary	166,892	121,316	(45,576)
Special	1,092,453	1,252,699	160,246
	5,611,499	5,899,770	288,271
Number of schools with surplus balance	2018-19	2019-20	Change
First/Primary	73	67	(6)
Middle	7	7	0
High/Secondary	1	1	0
Special	7	6	(1)
	88	81	(7)
Average Balance of Schools with surplus	2018-19	2019-20	Change
First/Primary	49,922	56,763	6,841
Middle	101,116	103,232	2,115
High/Secondary	166,892	121,316	(45,576)
Special	156,065	208,783	52,718
AVERAGE ALL SCHOOLS WITH SURPLUS	63,767	72,837	9,070