

Wellbeing and Community Health

Agenda Item : 9

SCHOOLS FORUM

27 September 2017

School Balances as at 31 March 2017

1. PURPOSE OF REPORT

To inform Schools Forum of the position regarding School Balances as at 31 March 2017.

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

A total of 121 out of 150 maintained schools submitted their return regarding the use of School Balances as at 31 March 2017. 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 8% of the new financial year budget share;
- Middle/High schools 5% of the new financial year budget share

Only one school still to submit relevant documentation, Ovingham Middle, was above the limit. The school has been contacted with a request for confirmation of their balances and any commitments from their 2016/17 budget. If the school is in breach of the 5% limit members of the Formula Funding Committee will consider the case and decide whether or not to clawback the surplus over the limit.

4. CURRENT POSITION

Overall School Balances have decreased by £2.196m (27%) from £8.102m to £5.906m. This figure represents the total funding carried forward into 2017/18 both in terms of commitment (or planned expenditure) and net balances held.

It should be noted that the schools balances information contained within this report includes schools that closed on 31 August 2017, schools who converted to academy status on 1 September 2017 and those schools currently considering or in the process

of converting to an academy. If and when schools convert they will no longer be reported in the schools balances figures within the Authority's accounts.

Within the respective school phases, there are differences apparent both in respect of the numbers of schools in surplus or deficit and the movement in balances held by individual schools :

Phase	Increase(+) or Decrease (-) in 2016/17
First/Primary Schools	- 871,808 (18%)
Middle Schools	+ 94,131 (7.7%)
High/Secondary Schools	- 1,304,149 (140%)
Special Schools	- 114,232 (10.2%)
TOTAL	- 2,196,058 (27%)

The number of schools with a deficit closing balance has increased from 28 to 32 and the size of the overall deficits has more than doubled in the 12 months to March 2017, increasing by £1.775m (151%) from £1.172m to £2.947m.

The number of schools with a surplus closing balance has decreased from 129 to 118 and size of the overall surpluses has decreased by £0.422m (4.5%) from £9.274m to £8.852m. Again the differences between the phases are shown below:

Change in Balances during 2016/17						
Phase	Schools in Surplus		Schools in Deficit		TOTALS	
	Surplus (£000)	Surplus (Nos)	Deficit (£000)	Deficit	Surplus / (-) Deficit	Nos
First / Primary	-526	89	-347	25	-873	114
Middle	72	16	22	3	94	19
Secondary / High	103	5	-1407	3	-1304	8
Special	-71	8	-43	1	-114	9
TOTAL	-422	118	-1,775	32	-2,197	150