

Report to Hartlepool Schools' Forum 30th January 2018
From Mark Patton (Assistant Director – Education, Learning & Skills)

Agenda Item 4 - School Balances Review

1 Introduction

- 1.1 In accordance with the 'Scheme for Financing Schools', schools are required to complete two balances surveys each year. One following outturn as at the end of March and an update in December.
- 1.2 Concerns have been expressed regarding the ongoing high level of school balances. Schools Forum agreed that a robust challenge would be made to ensure that schools are spending their balances effectively. A members' triad panel, has been set up to monitor this.
- 1.3 As part of this review the December update monitors the actual spend against the planned use identified in the March survey.

2 Survey Results

- 2.1 All schools in the Borough were invited to complete the survey. Of the thirteen academies invited to participate, none responded.
- 2.2 The survey results are summarised in the table below:-

| Sector | Total Planned Use of Balances to Support 2017/18 Budget | Total Actual Spend to Date | Total Commitments to 31/3/18 | Revised Use of Balances to Support 2017/18 | Variance over/(under) |
|------------------------------------|---|----------------------------|------------------------------|--|-----------------------|
| | £ | £ | £ | £ | £ |
| Total Primary & Special | £1,166,333 | £737,930 | £197,954 | £935,884 | (£230,449) |
| Total Secondary | £0 | £0 | £21,210 | £21,210 | £21,210 |
| Total All Sectors | £1,166,333 | £737,930 | £219,164 | £957,094 | (£209,239) |

- 2.3 The details by school are shown in **Appendix 1**.
- 2.4 Column (a) shows the total planned use of school balances of £1.166m as at 31st March 2018, compared to the latest forecast of £0.957m Column (d).
- 2.5 Column (b) shows how much each school has spent to date against the planned use of these balances. This totals £0.737m, representing 63% of planned balance usage.

- 2.6 A further £0.219m (19% in column (c)), is committed to be spent by the year end.
- 2.7 **Appendix 2** summarises by sector the breakdown from the survey, of the school balances against the permitted categories, together with the actual spend to date and commitments to the year end.
- 2.8 The survey shows a decrease in commitments of £0.266m, which relates mainly to primary schools. There are also 4 schools who have or are planning to spend £0.057m which was not identified in the original balances survey. This gives a net decrease in commitments of £0.209m.

3 Projected Outturns

- 3.1 It is forecast that at 31 March 2018 uncommitted balances at schools will be £1.137m. This represents a 25% increase (£0.209m) since the last survey.
- 3.2 After taking into account Hartlepool's allowable commitments and applying the standard percentages relating to excessive balances 6 of the 22 local authority primary schools have balances which exceed 8% of their current ISB. None of the other schools balances exceed the standard percentages.

4. Recommendations

- 4.1 To note the contents of the report.

Planned use of balances 2017/18

Appendix 1

| School | Total Planned Use of Balances to Support 2017/18 Budget | Total Uncommitted Balances @ last survey | Total Actual Spend to Date | Total Commitments to 31/3/18 | Total Forecast - Use of Balances to Support 17/18 Budget | Variance over/(under) | Forecast Uncommitted Balances @ 31/3/18 | Projected Balance 31.3.18 as % of 2017/18 ISB | Above the generally accepted levels |
|--------|---|--|----------------------------|------------------------------|--|-----------------------|---|---|-------------------------------------|
| | (a) | | (b) | (c) | (d) | | | | |
| | £ | £ | £ | £ | £ | £ | £ | | |
| 1 | 82,895 | 0 | 7,895 | 75,000 | 82,895 | 0 | 0 | 0.0% | |
| 2 | 137,037 | 46,357 | 122,962 | 0 | 122,962 | (14,075) | 60,432 | 3.7% | |
| 3 | 14,015 | 2,282 | 4,860 | 0 | 4,860 | (9,155) | 11,437 | 0.7% | |
| 4 | 0 | 36,853 | 0 | 0 | 0 | 0 | 36,853 | 2.6% | |
| 5 | 57,168 | 0 | 0 | 0 | 0 | (57,168) | 57,168 | 6.5% | |
| 6 | 0 | 0 | 0 | 21,210 | 21,210 | 21,210 | 0 | 0.0% | |
| 7 | 50,854 | 40,238 | 38,874 | 7,626 | 46,500 | (4,354) | 44,592 | 8.9% | Yes |
| 8 | 99,875 | 52,075 | 95,872 | 22,785 | 118,657 | 18,782 | 33,293 | 4.7% | |
| 9 | 55,000 | 144,472 | 40,000 | 0 | 40,000 | (15,000) | 159,472 | 11.5% | Yes |
| 10 | 59,347 | 0 | 59,347 | 0 | 59,347 | 0 | 0 | 0.0% | |
| 11 | 37,034 | 20,041 | 21,511 | 15,078 | 36,589 | (445) | 20,486 | 3.0% | |
| 12 | 0 | 55,037 | 15,363 | 0 | 15,363 | 15,363 | 39,674 | 8.6% | Yes |

| Sc1hool | Total Planned Use of Balances to Support 2017/18 Budget | Total Uncommitted Balances @ last survey | Total Actual Spend to Date | Total Commitments to 31/3/18 | Total Forecast - Use of Balances to Support 17/18 Budget | Variance over/(under) | Forecast Uncommitted Balances @ 31/3/18 | Projected Balance 31.3.17 as % of 2017/18 ISB | Above the generally accepted levels |
|--------------------------|---|--|----------------------------|------------------------------|--|-----------------------|---|---|-------------------------------------|
| | (a) | | (b) | (c) | (d) | | | | |
| | £ | £ | £ | £ | £ | £ | £ | | |
| 13 | 2,129 | 28,363 | 2,129 | 0 | 2,129 | 0 | 28,363 | 6.2% | |
| 14 | 0 | 71,358 | 0 | 0 | 0 | 0 | 71,358 | 5.8% | |
| 15 | 50,000 | 87,749 | 51,092 | 600 | 51,692 | 1,692 | 86,057 | 6.2% | |
| 16 | 240,655 | 104,358 | 104,876 | 49,973 | 154,849 | (85,806) | 190,164 | 13.0% | Yes |
| 17 | 23,558 | 0 | 23,558 | 0 | 23,558 | 0 | 0 | 0.0% | |
| 18 | 45,595 | 39,414 | 0 | 0 | 0 | (45,595) | 85,009 | 13.3% | Yes |
| 19 | 75,000 | 35,471 | 71,895 | 3,105 | 75,000 | 0 | 35,471 | 4.8% | |
| 20 | 69,688 | 76,260 | 24,557 | 10,443 | 35,000 | (34,688) | 110,948 | 9.0% | Yes |
| 21 | 0 | 25,512 | 0 | 0 | 0 | 0 | 25,512 | 3.4% | |
| 22 | 66,483 | 41,461 | 53,139 | 13,344 | 66,483 | 0 | 41,461 | 2.8% | |
| Total All Sectors | 1,166,333 | 907,301 | 737,930 | 219,164 | 957,094 | (209,239) | 1,137,750 | | 6 |

Summary by permitted category

Appendix 2

| | Employee Costs | | | | Premises Costs | | | | ICT Expenditure | | | |
|--------------------------|-----------------------------------|----------------------------|------------------------|---|----------------------------------|----------------------------|------------------------|---|-----------------------------|----------------------------|------------------------|---|
| School | Employees Committed @ last survey | Actual Expenditure to Date | Commitments to 31/3/18 | Total - Use of Balances to Support 17/18 Budget | Premises Committed @ last survey | Actual Expenditure to Date | Commitments to 31/3/18 | Total - Use of Balances to Support 17/18 Budget | ICT Committed @ last survey | Actual Expenditure to Date | Commitments to 31/3/18 | Total - Use of Balances to Support 17/18 Budget |
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Total Primary & Special | £367,065 | £247,503 | £40,317 | £222,820 | £514,938 | £285,939 | £112,655 | £398,594 | £181,758 | £153,336 | £36,694 | £190,030 |
| Total Secondary | £0 | £0 | £21,210 | £21,210 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 |
| Total All Sectors | £367,065 | £182,503 | £61,527 | £309,030 | £514,938 | £285,939 | £112,655 | £398,594 | £181,758 | £153,336 | £36,694 | £190,030 |

| | Supplies and Services | | | | Transport expenditure | | | | Totals for all categories | | | |
|--------------------------|---|----------------------------|------------------------|---|-----------------------------------|----------------------------|------------------------|---|-------------------------------|---------------------|------------------------|---|
| School | Supplies & Services Committed @ last survey | Actual Expenditure to Date | Commitments to 31/3/18 | Total - Use of Balances to Support 17/18 Budget | Transport Committed @ last survey | Actual Expenditure to Date | Commitments to 31/3/18 | Total - Use of Balances to Support 17/18 Budget | Total Committed @ last survey | Total Spend to Date | Commitments to 31/3/18 | Total - Use of Balances to Support 17/18 Budget |
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Total Primary & Special | £102,572 | £51,152 | £8,288 | £59,440 | £0 | £0 | £0 | £0 | £1,166,333 | £737,930 | £197,954 | £935,884 |
| Total Secondary | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £21,210 | £21,210 |
| Total All Sectors | £102,572 | £51,152 | £8,288 | £59,440 | £0 | £0 | £0 | £0 | £1,166,333 | £737,930 | £219,164 | £957,094 |