

**Report to Hartlepool Schools' Forum 17 January 2019  
From Mark Patton (Assistant Director – Education)**

**Agenda Item 3 - School Balances Review**

**1 Introduction**

- 1.1 In accordance with the 'Scheme for Financing Schools', and as agreed by Schools' Forum, 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 Forum members' triad panel, was set up to monitor this. Last year six schools were referred to the panel.
- 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 fifteen 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 2018/19 Budget	Total Actual Spend to Date	Total Commitments to 31/3/19	Revised Use of Balances to Support 2018/19	Variance over/(under)
	£	£	£	£	£
<b>Total Primary &amp; Special</b>	£1,154,139	£844,441	£314,211	£1,158,652	£4,513
<b>Total Secondary</b>	£0	£0	£0	£0	£0
<b>Total All Sectors</b>	<b>£1,154,139</b>	<b>£844,441</b>	<b>£314,211</b>	<b>£1,158,652</b>	<b>£4,513</b>

- 2.3 The details by school are shown in **APPENDIX 1**.
- 2.4 Column (a) shows the total planned use of school balances of £1.154m as at 31 March 2018, compared to the latest forecast of £1.159m Column (d).

- 2.5 Column (b) shows how much each school has spent to date against the planned use of these balances. This totals £0.844m, representing 73% of planned balance usage.
- 2.6 A further £0.314m (27% 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 remaining planned commitments of £0.314m remaining to the year end. This compares to expected commitments at this stage last year of £0.219m.

### **3 Projected Outturns**

- 3.1 It is forecast that at 31<sup>st</sup> March 2019 uncommitted balances at schools will be £0.929m. This represents a 0.48% decrease (£0.005m) since the last survey.
- 3.2 After taking into account Hartlepool's allowable commitments and applying the standard percentages relating to excessive balances, one of the 20 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 It is recommended that Forum members
- a) note the contents of the report
  - b) ask the Chair to convene the Excess Balances Panel for the one primary school beyond the agreed threshold.

Planned Use of Balances 2018/19

APPENDIX 1

School	Total Planned Use of Balances to Support 2018/19 Budget	Total Uncommitted Balances @ last survey	Total Actual Spend to Date	Total Commitments to 31/3/19	Total Forecast - Use of Balances to Support 18/19 Budget	Variance over/(under)	Forecast Uncommitted Balances @ 31/3/19	Projected Balance 31.3.19 as % of 2018/19 ISB	Above the generally accepted levels
	(a)		(b)	(c)	(d)				
	£	£	£	£	£	£	£		
1	138,858	40,348	138,114	0	138,114	(744)	41,092	2.7%	
2	0	95,461	0	0	0	0	95,461	7.2%	
3	70,000	17,432	59,126	10,874	70,000	0	17,432	1.1%	
4	15,000	138	15,138	0	15,138	138	0	0.0%	
5	107,236	98,119	79,626	27,963	107,589	353	97,766	7.8%	
6	57,528	185,018	42,528	0	42,528	(15,000)	200,018	14.9%	Yes
7	80,000	119,067	75,000	5,000	80,000	0	119,067	7.7%	
8	32,859	0	17,510	15,349	32,859	0	0	0.0%	
9	146,595	24,056	61,898	100,000	161,898	15,303	8,753	1.2%	
10	32,619	1,708	32,619	0	32,619	0	1,708	0.1%	
11	29,999	32,963	10,058	19,941	29,999	0	32,963	5.2%	
12	157,150	62,849	104,767	52,383	157,150	0	62,849	4.2%	

School	Total Planned Use of Balances to Support 2018/19 Budget	Total Uncommitted Balances @ last survey	Total Actual Spend to Date	Total Commitments to 31/3/19	Total Forecast - Use of Balances to Support 18/19 Budget	Variance over/(under)	Forecast Uncommitted Balances @ 31/3/19	Projected Balance 31.3.19 as % of 2018/19 ISB	Above the generally accepted levels
	(a)		(b)	(c)	(d)				
	£	£	£	£	£	£	£		
13	85,817	33,795	64,363	21,424	85,787	(30)	33,825	5.0%	
14	0	52,342	0	16,567	16,567	16,567	35,775	4.9%	
15	45,663	37,748	17,067	27,594	44,661	(1,002)	38,750	8.0%	
16	4,025	91,418	4,025	0	4,025	0	91,418	7.5%	
17	59,177	0	47,205	0	47,205	(11,972)	11,972	0.8%	
18	41,568	20,192	27,182	15,286	42,468	900	19,292	2.9%	
19	1,830	0	0	1,830	1,830	0	0	0.0%	
20	48,215	20,944	48,215	0	48,215	0	20,944	2.4%	
<b>Total All Sectors</b>	<b>1,154,139</b>	<b>933,596</b>	<b>844,441</b>	<b>314,211</b>	<b>1,158,652</b>	<b>4,513</b>	<b>929,084</b>		<b>1</b>

Summary by Permitted Category

APPENDIX 2

	Employee Costs				Premises Costs				ICT Expenditure			
School	Employees Committed @ last survey	Actual Expenditure to Date	Commitments to 31/3/19	Total - Use of Balances to Support 18/19 Budget	Premises Committed @ last survey	Actual Expenditure to Date	Commitments to 31/3/19	Total - Use of Balances to Support 18/19 Budget	ICT Committed @ last survey	Actual Expenditure to Date	Commitments to 31/3/19	Total - Use of Balances to Support 18/19 Budget
	£	£	£	£	£	£	£	£	£	£	£	£
<b>Total Primary &amp; Special</b>	<b>£636,634</b>	<b>£496,582</b>	<b>£144,942</b>	<b>£641,524</b>	<b>£334,235</b>	<b>£203,418</b>	<b>£120,306</b>	<b>£323,724</b>	<b>£88,887</b>	<b>£63,182</b>	<b>£17,252</b>	<b>£80,434</b>

	Supplies and Services				Transport expenditure				Totals for all categories			
School	Supplies & Services Committed @ last survey	Actual Expenditure to Date	Commitments to 31/3/19	Total - Use of Balances to Support 18/19 Budget	Transport Committed @ last survey	Actual Expenditure to Date	Commitments to 31/3/19	Total - Use of Balances to Support 18/19 Budget	Total Committed @ last survey	Total Spend to Date	Commitments to 31/3/19	Total - Use of Balances to Support 18/19 Budget
	£	£	£	£	£	£	£	£	£	£	£	£
<b>Total Primary &amp; Special</b>	<b>£94,383</b>	<b>£62,672</b>	<b>£31,711</b>	<b>£94,383</b>	<b>£0</b>	<b>£18,587</b>	<b>£0</b>	<b>£18,587</b>	<b>£1,154,139</b>	<b>£844,441</b>	<b>£314,211</b>	<b>£1,158,652</b>