

## **Agenda Item 7 - School Balances Survey**

### **1 Introduction**

- 1.1 Every year schools are asked to complete two balances surveys: one following outturn as at 31 March and an update in December.
- 1.2 In the past, Schools Forum agreed that a robust challenge would be made to ensure that schools are spending their balances effectively. In addition, a Task and Finish Group was set up to look at monitoring mechanisms for school balances which agreed in principle to 'deficit/surplus' clinics. This resulted in the establishment of an agreed Protocol which forms part of the local Scheme for Financing Schools.

### **2 Survey responses as at 31 March 2019**

- 2.1 All schools were invited to participate in the survey. All maintained schools responded to the survey. No responses were received from academies.

### **3 Projected outturns 2018/19**

- 3.1 For the 18 maintained schools that reported a surplus for 2018/19, the December 2018 Balances Survey predicted balances as at 31 March of £0.910m as shown in **APPENDIX 1** (column a). During the spring term monitoring, balances increased to £1.620m, as shown in column b compared to actual school balances (column c) of £1.964m, an increase of £0.344m (21.2%).
- 3.2 Column e shows the actual school balances as a percentage of the 2019/20 Individual School Budget.
- 3.3 Using the "Excessive School Balances" protocol on balances (regardless of commitments) above 8% (primary) and 5% (secondary), 10 of the 18 primary schools exceed 8% of their current ISB. No other provision exceeds the recommended balances.
- 3.4 Five schools were in deficit at 31 March 2019, the local authority and Governing Body is currently working with these to formalise a deficit recovery model.

### **4 Planned use of balances**

- 4.1 Schools were given the opportunity to commit their school balances against the following permitted categories:
  - employees
  - premises
  - ICT
  - supplies & services
  - transport
  - use of balances in 2019/20 and beyond.

- 4.2 Maintained schools have planned to use £0.885m of balances to support the 2019/20 budget, shown in column f. This reduces the school balances to £1.079m. After these commitments two schools still exceed the 8% threshold (column i).
- 4.3 In addition, a further £0.213m (column g) has been identified to support the 2020/21 budgets, which leaves gross uncommitted balances of £0.867m.
- 4.4 **APPENDIX 2**, Table 1 summarises by sector the breakdown from the survey of the school balances against the permitted categories.
- 4.5 In addition to the main balances, a further £0.295m was carried forward in respect of “Other funds”. **APPENDIX 2**, Table 2 summarises by sector the breakdown of balances at 31 March 2019.
- 4.6 Of the four schools that have balances in respect of community facilities (COMFAC), two were in deficit at 31 March 2019, the local authority is currently working these to formalise a deficit recovery model.

## **5 Recommendations**

- 5.1 School Forum is recommended to:
- a) note the contents of the report
  - b) agree that the Excessive School Balances Protocol be followed for those schools that fall within its remit, and that the Chair convenes the required meetings with these schools early in the autumn term 2019.

APPENDIX 1

School	School's projected outturn as per Balances Survey (December 18)	Outturn 2018/19			Actual Balance 31.3.19 as % of 2019/20 ISB	Planned Use of Balances			Projected Balance 31.3.20 as % of 2019/20 ISB
		School's Spring term projected 18/19 outturn at 31st March 2019	School's actual outturn at 31st March 2019	Variance over/(under)		Planned use of balances to support 2019/20 Budget	Planned Use to support 2020/21 budget	Total Uncommitted balances 31/03/21	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	33,825	59,195	82,035	(22,840)	12.4%	53,233	0	28,802	4.4%
2	17,432	74,847	104,778	(29,931)	6.2%	75,000	0	29,778	1.8%
3	0	3,268	2,695	573	0.3%	2,695	0	(0)	0.0%
4	97,766	218,468	246,006	(27,538)	20.3%	149,601	0	96,405	7.9%
5	95,461	93,782	99,412	(5,630)	7.6%	0	0	99,412	7.6%
6	41,092	20,858	80,414	(59,556)	5.3%	48,418	0	31,996	2.1%
7	32,963	66,737	104,414	(37,677)	17.8%	63,718	62,018	(21,322)	6.9%
8	1,708	42,848	46,251	(3,403)	3.0%	25,000	21,251	0	1.4%
9	91,418	102,195	102,622	(427)	8.5%	35,542	0	67,080	5.6%
10	(0)	12,255	29,745	(17,490)	2.9%	0	0	29,745	2.9%
11	119,067	134,042	193,616	(59,574)	13.3%	89,414	0	104,202	7.2%
12	38,750	79,762	80,118	(356)	17.6%	43,536	0	36,582	8.0%
13	62,849	130,622	147,800	(17,178)	9.9%	64,070	83,730	0	5.6%
14	200,018	245,819	270,589	(24,770)	19.8%	100,416	46,000	124,173	12.5%
15	11,972	84,588	107,430	(22,842)	7.3%	0	0	107,430	7.3%
16	8,753	140,250	150,310	(10,060)	8.2%	88,672	0	61,638	3.3%
17	20,944	94,943	82,221	12,722	9.6%	45,244	0	36,977	4.3%
18	35,775	15,176	33,546	(18,370)	4.5%	0	0	33,546	4.5%
<b>Total All Sectors</b>	<b>£909,792</b>	<b>£1,619,655</b>	<b>£1,964,003</b>	<b>(344,348)</b>	<b>9.6%</b>	<b>£884,559</b>	<b>£212,999</b>	<b>£866,445</b>	<b>5.3%</b>

Sector	Table 1: Planned Use of Balances for 2019/20 and beyond							
	Employees	Premises	ICT	Supplies	Transport	Total	2020/21	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Primary	494	113	106	172	-	885	213	1,098
<b>Maintained Total</b>	<b>494</b>	<b>113</b>	<b>106</b>	<b>172</b>	<b>-</b>	<b>885</b>	<b>213</b>	<b>1,098</b>

Sector	Table 2: Other School Balances at 31st March 2019			
	PE & Sports	Comfac	Out of School Clubs & Other Funds	Total Other Balances
	£000	£000	£000	£000
Primary	215	(41)	121	295
<b>Maintained Total</b>	<b>215</b>	<b>(41)</b>	<b>121</b>	<b>295</b>