

READING BOROUGH COUNCIL

REPORT BY FINANCIAL SERVICES

TO:	Reading Schools Forum		
DATE:	12 May 2016	AGENDA ITEM:	5
TITLE:	School Balances (Provisional) at 31 st March 2016		
SERVICE:	Children, Education & Early Help Services	WARDS:	All
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1. PURPOSE AND SUMMARY OF REPORT

- 1.1 To inform the Schools' Forum about the provisional school balances at the end of the financial year ended 31st March 2016. To seek guidance from Schools' Forum regarding schools that held excess surplus balances in the context of the balance control mechanism.

2. RECOMMENDED ACTION

2.1 (FOR NOTING) To note the contents of the report and also to note that the balances are at the moment provisional and subject to agreement with schools, as well as the external audit process.

2.2 (FOR ADVICE) To ask whether Schools Forum wish the Authority to ask the schools holding excess balances at Appendix 1 for details on the purpose for which this is held and also to provide an opinion as to whether this is a valid and proper reason, with the aim of bringing this information back to the July meeting for consideration.

3 POLICY CONTEXT

- 3.1 The Council has strategic aims to establish Reading as a learning city and a stimulating and rewarding place to live and visit, to promote equality, social inclusion and a safe and healthy environment for all. Education and the funding of education is a key factor in the achievement of this aim.

4 SCHOOL BALANCES

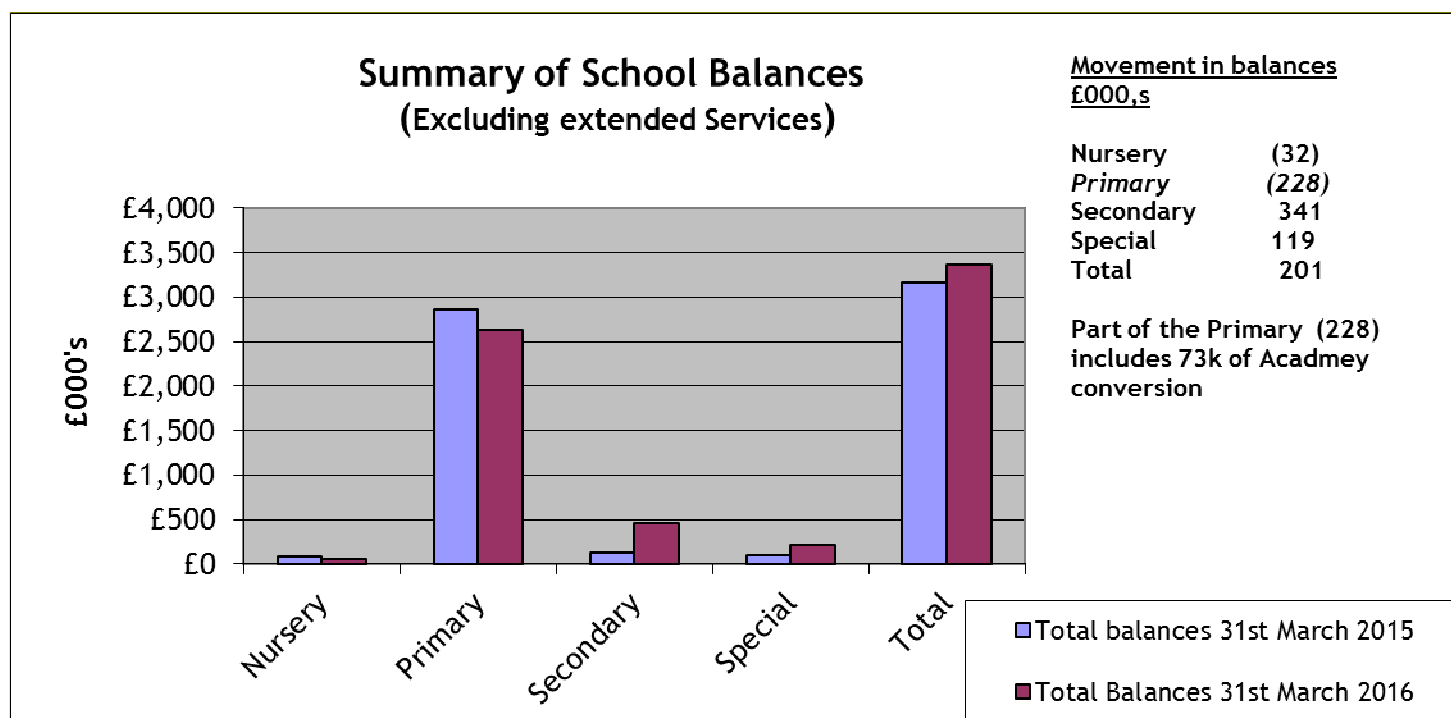
4.1 Background

4.1.1 This paper sets out the end of year school revenue balances at 31 March 2016 and the movement in those balances between March 2015 and March 2016. These are also subject to the audit process.

4.2 Summary

4.2.1 Graph 1 summarises school balances by school sector. Full details school by school are shown at Appendix 1.

Graph 1 Summary of school balances



4.2.2 There were 4 schools (from 3 at the 31st March 15) with a deficit balance as at the 31st March 2016: 2 primary school (from 1 at the 31st March 2015), No secondary school (from 1 at the 31st March 2015), no special schools (unchanged from the March 2015) and 2 nursery school (1 in 31st March 2015).

4.2.3 As seen in Appendix 1 a small number of schools had deficit balances as at 31st March 2016. Of particular concern is the level of deficit at the two Primary Schools and the Authority will be arranging to visit the schools concerned. We will continue to monitor these school's progress towards bringing their finances back into balance. It should be noted that under the current regulations should a school convert to an academy any deficit would be left to the DSG to fund, but any surplus would transfer to the new school.

4.3 Balance Control Mechanism

4.3.1 Schools Forum now manages the LA's balance control mechanism. The schools' that held excess surplus balances as at 31st March 2016 can be identified from **Appendix 1**.

4.3.2 The excess balances could be held for properly assigned purposes. Each year the Authority asks whether Schools Forum would like us to request information from schools holding excess balances what these are being held for. In addition Schools Forum can request the authority to express an opinion as to whether these reasons are for a proper and valid purpose. If Schools Forum request the Authority to do this then this can be brought back for the July meeting of Schools Forum to consider.

4.3.3 It should be noted that for some schools balances may have been held for valid historical reasons.

4.4 Capital balances

4.4.1 The total amount of unspent devolved formula capital funds held by schools at the 31st March 2016 was £513k. Of this balance £239k had been carried forward from the 2013-14 allocation and will need to be spent by 31st August 2016. We will notify the schools holding these balances. The remainder of the balance consists of £111k of the 2014-15 allocation and £163k of the 2015-16 allocation. This information is also provided to colleagues across the Council to ensure that this is being factored into the future capital programme.

Appendix 1 Provisional School Balances 31st March 2015 and 31st March 2016

	2014-15		2015-16				
	Revenue Balance (excl extended schools)	% 14-15 c/f against 14-15 budget share	Surplus / (Deficit) In-Year	Revenue Balance (excl extended schools)	Adjusted Budget Share	% 15-16 c/f against 15-16 budget share	Excess balance over threshold
Alfred Sutton Primary School	133,412	6%	(53,458)	79,954	2,212,232	4%	0
All Saints	91,574	26%	6,522	98,096	346,536	28%	70,373
Caversham Park Primary School	33,879	4%	(5,993)	27,886	829,641	3%	0
Caversham Primary School	116,344	7%	(8,821)	107,523	1,681,407	6%	0
Christ The King Catholic Primary School	59,133	3%	3,434	62,568	1,776,085	4%	0
Coley Primary School	27,093	3%	(9,223)	17,870	1,098,545	2%	0
Emmer Green Primary School	63,926	4%	(41,071)	22,855	1,826,784	1%	0
English Martyrs' Catholic Primary School	197,778	12%	72,160	269,938	1,697,920	16%	134,104
E P Collier Primary School	49,878	5%	15,391	65,269	1,212,075	5%	0
Geoffrey Field Infant School	167,392	12%	(24,339)	143,053	1,468,127	10%	25,603
Geoffrey Field Junior School	98,399	7%	73,251	171,650	1,540,778	11%	48,388
Katesgrove Primary School	194,566	8%	82,243	276,809	2,821,308	10%	51,104
Manor Primary School	137,688	8%	(5,434)	132,254	1,689,520	8%	0
Micklends Primary School	176,744	11%	(54,818)	121,925	1,653,667	7%	0
Moorlands Primary School	112,010	5%	(23,562)	88,448	2,086,386	4%	0
New Town Primary School	130,548	10%	121,728	252,276	1,327,248	19%	146,096
Oxford Road Community School	57,472	5%	24,578	82,050	1,224,704	7%	0
Park Lane Primary School	63,792	4%	(9,947)	53,844	1,690,423	3%	0
Redlands Primary School	95,858	9%	(7,493)	88,365	1,094,714	8%	788
Southcote Primary School	43,224	2%	37,858	81,082	1,952,380	4%	0
St Anne's Catholic Primary School	(321,276)	-39%	(50,465)	(371,741)	833,890	-45%	0
St John's CofE (Aided) Primary School	138,214	9%	60,875	199,089	1,635,733	12%	68,230
St Martin's Catholic Primary School	57,953	9%	(14,157)	43,796	708,073	6%	0
St Mary and All Saints	136,287	8%	(306,057)	(169,771)	1,785,140	-10%	0
St Michael's Primary School	67,662	5%	47,997	115,658	1,385,582	8%	4,812
Thameside Primary School	74,144	5%	6,125	80,269	1,612,714	5%	0
The Hill Primary School	11,018	1%	66,865	77,883	1,803,815	4%	0
The Ridgeway Primary School	173,158	12%	(84,789)	88,369	1,552,679	6%	0
Whitley Park Primary	126,213	4%	(41,410)	84,803	2,963,800	3%	0
Wilson Primary School	181,371	11%	(37,901)	143,470	1,779,113	8%	1,141
New Christ Church	89,138	9%	5,747	94,885	919,050	10%	21,361
Blessed Hugh Faringdon Catholic School	270,062	6%	74,291	344,354	4,605,816	7%	114,063
Reading Girls' School	(144,364)	-4%	266,951	122,587	3,854,077	3%	0
Phoenix College	72,096	5%	62,988	135,084	1,512,185	9%	14,109
The Holy Brook School	30,475	3%	56,146	86,621	903,089	10%	14,374
Blagdon Nursery	63,066	15%	(26,130)	36,936	434,645	8%	0
Blaggrave Nursery	22,254	10%	9,623	31,877	236,951	13%	12,921
Caversham Nursery	(55,369)	-29%	(12,310)	(67,679)	197,179	-34%	0
New Bridge Nursery	44,629	12%	18,197	62,826	462,730	14%	25,807
Norcot Early Years Centre	7,687	2%	(20,984)	(13,297)	399,358	-3%	0
Total	3,095,127		274,607	3,369,735	60,816,095		753,275