

Schools' Budgets

1.0 Revenue Budget Monitoring – Schools' Budgets

- 1.1 Maintained schools are required to submit budget plans detailing their expected income and planned spending levels at two points in the year; 31 May and 31 October.
- 1.2 Table 1 shows the schools' actual end of year balances for 2021-2022 and the latest projected balances in those submitted budget plans for 2022-2023.

Table 1 – Projected Movement on Schools' Balances 2022-2023

Sector	Balances as at 31 March 2022 Surplus / (Deficit) £000	Forecast Use of Balances in 2022-2023 Surplus / (Deficit) £000	Forecast Balances as at 31 March 2023 Surplus / (Deficit) £000
Secondary	2,523	228	2,751
Primary	8,271	(1,954)	6,317
Junior	284	(161)	123
Infant	495	(130)	365
Nursery	1,202	(847)	355
Special	2,239	(636)	1,603
Pupil Referral Units	601	(368)	233
Total	15,615	(3,868)	11,747

Table 2 – Number of schools as at 31 March 2022 with surplus balances

Sector	Total number of schools	Schools with Excess Surplus
Secondary	3	2
Primary	30	25
Junior	2	1
Infant	2	2
Nursery	7	5
Special	4	3
Pupil Referral Units	3	2
Total	51	40

Schools' Budgets

Schools with Surplus Balances

- 1.3 At the end of 2021-2022 maintained schools had balances of £15.6 million. 40 schools were identified as having balances above recognised thresholds detailed in the local scheme.
- 1.4 All schools that have balances above these criteria are being requested to provide plans for their intended use. Local Authority Officers will scrutinise these plans may have meetings with the headteachers of these schools. A decision will then be made whether any of these schools will be moved forward into the arbitration process as detailed below and an update on this will be included in the 2021-2022 Revenue Budget Outturn report to Councillors.
- 1.5 The Scheme for Financing Schools establishes an arbitration process to review the Authority's decision and determine if, and to what level, any excess balances should be recovered.

Schools in a deficit balance position

- 1.6 As part of its overview of schools in deficit, a Schools at Financial Risk Board (SFR) chaired by the Head of Service for School Organisation, reviews the financial information from schools in deficit to evaluate the financial position of the schools. The chair of Schools Forum is also a member of the board. The current position of schools that had anticipated a deficit position at the end of 2021-2022 is as follows:

Table 2 – Schools with anticipated deficits in 2022-2023

Name	Actual Balance at end of 2021-2022 Surplus / (Deficit) £000	Anticipated Balance at end of 2022-2023 Surplus / (Deficit) £000	Status
The King's Church of England	(104)	(163)	A licensed deficit application has been received and approved.
Phoenix Nursery	(34)	(73)	The school has an approved licensed deficit and are

Schools' Budgets

Name	Actual Balance at end of 2021-2022 Surplus / (Deficit) £000	Anticipated Balance at end of 2022-2023 Surplus / (Deficit) £000	Status
			submitting progress reports.
Windsor Nursery	(14)	(22)	The school has been asked to submit a licensed deficit request.

Inflation and Pay Award

- 1.7 We recognise that schools are likely to see increasing costs associated with inflation and the impact of any pay award in excess of budgets. Those schools with surplus balances are likely to require to use these to support the Teachers Pay Award this year. We will work with schools to monitor this.

This page is intentionally left blank