
TITLE OF REPORT: Schools Surplus Balances 2016/17 Licence Applications

Purpose of the Report

1. To update Schools Forum on the level of schools surplus balances and the number and amount of licence applications for the use of 2016/17 surplus balances.

Background

2. This report builds on the Agenda item 4 and reports on the 9th year that schools have had to apply to keep surplus balances.
3. Under the Scheme for Financing Schools, Schools are permitted to have an “unlicensed” carry forward amount that is equal to or less than 16% for Special and Primary Schools, and 10% for Secondary Schools of the next financial year’s School Budget Share.
4. The Schools “Surplus Balance” is calculated using the schools closing balance as at the end of the financial year less any known prior year commitments, and the calculated “unlicensed” amount.
5. All schools were notified of their expected surplus balance amount prior to the deadline, but schools should have been planning for any possible surplus balances during the financial year as part of their budget monitoring and good financial management practices.

Current Position

6. The total amount of schools balances as at 31 March 2017 was £5.503m which is a decrease of £1.542m from the 2016 balance of £7.045m.
7. The total balance amount for 2016/17 included unspent licences of £33,760 that relates to previous years licence surpluses.
8. The total amount of surplus balances calculated as directed by the Secretary of State for Education for all schools maintained totalled £129,312 with the split of surplus balances being: -

- Nursery Sector £ 20,554
- Primary Sector £ 108,758
- Secondary Sector £ 0
- Special Sector £ 0

9. A total of 5 schools applied for licences on either a current year or multi-year basis, (time scale cannot be greater than 3 years). Some schools applied for licences totalling more than their surplus balance amount, either to take account of the total cost of the expenditure for which the surplus balance is to be used, (i.e. whole piece of equipment), or where they are applying for a number of licences and the full cost details were not known, (i.e. estimated costs or future capital projects).
10. All schools that applied for a licence will have a licence granted for the use of their surplus balances, subject to outstanding supporting documentation. Appendix 1 shows details of surplus balances.

Proposal

11. Schools Forum notes the details of the surplus balance amounts at Appendix 1.

Recommendation

- Schools Forum notes the details at Appendix 1 detailing surplus balance amounts.

For the following reason(s):

- To ensure that the Control of Surplus Balances Procedure is adhered to in a clear, fair and transparent manner.

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Appendix 1

New Licences Required	
School Name	Surplus Licence required
Bensham Grove Nursery School	£ 20,554
High Spen Primary School	£ 10,108
Corpus Christi Catholic School	£ 51,277
St Joseph's R C Primary School	£ 45,229
Birtley St. Joseph's Catholic Infant School	£ 2,143
Primary Total	£ 108,758
Total	£129,312