

5 July 2018

Item 5**TITLE OF REPORT: Schools Surplus Balances 2017/18 Licence Applications**

Purpose of the Report

To update Schools Forum on the level of schools surplus balances and the number and amount of licence applications for the use of 2017/18 surplus balances.

Background

This report builds on the Agenda item 4 and reports on the 10th year that schools have had to apply to keep surplus balances.

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.

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.

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

The total amount of schools balances as at 31 March 2018 was £5.186m which is a decrease of £0.287m from the 2017 balance of £5.473m.

The total balance amount for 2017/18 included unspent licences of £30,503 that relates to previous years licence surpluses.

The total amount of surplus balances calculated as directed by the Secretary of State for Education for all schools maintained related to Corpus Christi Primary School for £60,300.

Only one school had a surplus balance and applied for a licence on either a current year or multi-year basis, (time scale cannot be greater than 3 years).

The school that applied for a licence will have a licence granted for the use of their surplus balances, subject to outstanding supporting documentation.

Proposal

Schools Forum notes the surplus balance amount for £60,300.

Recommendation

- Schools Forum notes the surplus balance amount.

For the following reason(s):

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

CONTACT: Carole Smith ext. 2747