

Item 8**TITLE OF REPORT: Schools Surplus Balances Licences Amendment**

Purpose of the Report

To update the Schools Forum on the outcome of a school requesting to alter their Surplus Balance Licence.

Background

This report builds on the previous reports on Schools surplus balances.

Under the regulations Schools are permitted to have an “unlicensed” carry forward amount that is equal to or less than 8% for Special and Primary Schools, and 5% for Secondary Schools of the next financial years School Budget Share, for balances prior to 31st March 2012. Surplus balances after 31st March 2012 have been increased to 16% for Special and Primary Schools, and 10% for Secondary Schools.

The Schools “Surplus Balance” is calculated using the schools closing balance as at the end of the financial year less unspent additional grants, pupil premium, and any known prior year commitments, and the calculated “unlicensed” amount.

Change of Licence Application**Corpus Christi Catholic Primary School**

The School originally requested to use their surplus balance for the refurbishment of pupil’s toilets. The work was not fully complete at the year-end; however the internal charge for the work was put through to the schools repairs and maintenance code, and not against schools surplus balance licence. This charge would have fully used the surplus balance licence. This issue was not picked up before 2015/16 accounts were closed and therefore the error could not be corrected.

The school have therefore requested to use the remaining licence to fund a teaching assistant.

As the circumstances were outside of the schools control and the licence would have been fully spent if the charge had been correctly allocated, the request for the school to change their surplus balance has been granted.

St. Josephs Gateshead

The school originally requested to use some of their surplus balance to make improvements to their carpark, however due to budgetary pressures the school requested to change that part of the licence to maintain support staff levels for the financial year 2016/17.

As the licence was a multiyear licence and the schools 3 year projected budget position will benefit from the change in the licence, and therefore the change in surplus balance licence has been granted.

Proposal

It is the proposal that Schools Forum notes the change of surplus balance for Corpus Christi Primary School and St Joseph's Gateshead Primary School.

Recommendation

It is recommended that Schools Forum notes the above change in surplus balance licences.

For the following reason:

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

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