

**REPORT TO:** School Forum  
**DATE:** 22nd June 2015  
**REPORTING OFFICER:** Finance Officer, Financial Management Division  
**SUBJECT:** School Balances 2014-15

## 1.0 Purpose of the Report

1.1 To report to the School Forum the level of balances brought forward from 2014-15 by Halton Schools.

## 2.0 Recommendation

### RECOMMENDED:

1. That the report be noted.
2. That School Forum requests explanations from schools which have balances in excess of 8% (5% for secondary schools) as to why their balances are so high.
3. That School Forum considers asking schools with carry forward levels in excess of 8% (5% for secondary schools) to provide explanations for those levels to be submitted to Schools Forum with the school balances report each summer term.

## 3.0 Background

3.1 Following discussion at the School Forum meeting in January 2013, the excess surplus balance limits previously imposed on schools were lifted for 2012-13 and has continued up to 2014-15. However the balances were still to be monitored.

3.2 The level of balances in the Individual School Budget held by Halton Schools brought forward into 2015-16 is £7,451,751. This is an increase of £120,224 to the balance carried forward into 2014-15 of £7,331,527.

3.3 It should be noted that the Primary sector balances have increased by £1,363,883 from £3,765,186 to £5,129,069 over the year. Out of the 46 maintained primaries, 26 have balances that exceed the former excess surplus balance limit of 8% and eight of those 26 have balances in excess of 16%, double the former excess surplus balance limit.

No nursery or secondary school has a balance more than double their respective former excess surplus balance limit and overall the balances within the two sectors have decreased. Within the secondary sector the majority of this decrease is due to the conversion of one school to academy.

For special schools, one school has more than double the former excess surplus balance limit.

- 3.4 Given the increasing pressures on the Dedicated Schools Budget as a whole, it is strongly recommended that schools with balances above the former excess surplus balance limit are requested to provide an explanation as to how they plan to spend this high balance.
- 3.5 It is also strongly recommended that Schools Forum agree that schools with balances above the former excess surplus balance limit are required to provide such explanation for submission to Schools Forum in future years with the School Balances report at the Summer Term meeting.
- 3.6 Appendix A details the Individual School Budget balances with comparison to the previous year. Schools which have balances above the former excess surplus balance limit are highlighted.
- 3.7 A total of £263,181 Non-LMS funds were carried forward into 2014-15 by schools. This balance has increased by £31,649 to give a balance of £260,916 to be carried forward into 2015-16.
- 3.8 Appendix B details the Non-LMS (Devolved Formula Capital) balances brought forward into 2015-16.