



Leicester  
City Council

**WARDS AFFECTED**  
All Wards

**FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:**  
**Schools Forum**

**22 September 2011**

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**School Balances at 31<sup>st</sup> March 2011**

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**Report of the Head of Finance, Investing in our Children**

**1. Purpose of Report**

- 1.1. To report upon revenue balances as at 31<sup>st</sup> March 2011 (the end of the 2010/11 financial year) of schools maintained by the City Council.
- 1.2. The report considers the total balances available at March 2011, followed by commentary on the publication and reporting of balances and a summary statement on the potential for clawback from schools. School-level total or “headline” balances are reported at Appendix A.

**2. Recommendations**

- 2.1 Schools Forum is recommended to:
  - a) Note the report and the City Council’s proposed course of action.

**3. Report**

Total Balances at March 2011

- 3.1. Total School Revenue Balances in Leicester as at 31<sup>st</sup> March 2011 were £17 million (equivalent to 7.9% of current year school budgets). This was an increase of £1.1m from balances at 31<sup>st</sup> March 2010. These figures are before the deduction of allowed exemptions and may be referred to as “raw” or “headline” balances.
- 3.2. £2.7m in addition to the above £17m is held by the City Council on behalf of schools who have transferred revenue funds to a capital reserve for building or other capital projects in the future.
- 3.3. Within the £17m overall balance, 103 schools had a surplus balance totaling £17.5m and 3 schools had a deficit balance totaling £0.5m. This compares the position at March 2010, when balances totalled £15.9m and 99 schools had surplus balances totaling £16.4m and 7 schools had a deficit balances totaling £0.5m. Balances are clearly rising whilst the number of schools with deficit balances is declining.

Publication and Reporting of the Balances

- 3.4. The DfE publish the total/headline balances annually at local authority and at school level on its website. It is expected that the website will be updated for the March 2011 balances in due course. This will show increasing balances as the reporting categories used are fixed.
- 3.5. Schools Forum will recall a number of prior discussions about the presentation of school balances and the potential for the headline balances to be misunderstood when published more widely. For the purpose of this report to Forum and the Children’s Leadership Team, the school level balances reported to Forum at Appendix A show the Total Revenue Balances expected to be reported nationally and hence to enter the public domain. The 2009 and 2010 balances are shown for comparison.
- 3.6. However, the local or national media may of course ask about the local authority or school level balances at any time; the local media usually ask following the national publication of data, if not before.
- 3.7. As in previous years, officers will ensure that the response to such enquiries is set in context, reflecting the allowed exemptions (as set out below), the reasons that schools hold uncommitted balances so as to address Forum’s concerns on the wider perception of school balances.

Detail of the Balances at 31<sup>st</sup> March 2011 and Potential for “Clawback”

- 3.8. Schools Forum in 2010 approved a new School Balance Control Mechanism and under the current paragraphs on Control of Balances within the Scheme for Financing Schools, “Clawback” of balances at March 2011 can be applied where they are higher than 10% of the Normal Maximum Limit. However, various items detailed below are excluded from this calculation and schools were asked to complete a return detailing any such exemptions. The result of this analysis is shown in the table below. The exemptions are explained in more detail at Appendix B.
- 3.9. It can be seen that the total “headline” balances (as per national reporting and above) are £17m. The allowed exemptions reported by schools total £8.8m, leaving net uncommitted balances of £8.2m (equivalent to 3.8% of current year budgets).

	<b>Primary</b>	<b>Secondary</b>	<b>Special</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Total “Headline” Balance at March 2011</b>	<b>8,986</b>	<b>6,397</b>	<b>1,659</b>	<b>17,042</b>
Unspent Standards Fund	777	640	124	<b>1,541</b>
Transitional Arrangements relating to Standards Fund	0	100	0	<b>100</b>
Revenue funding of Capital Projects	547	120	88	<b>755</b>

BSF Contingency	132	2,289	201	<b>2,622</b>
Planning for Uncertainty	390	20	343	<b>753</b>
Committed or Planned Spending	1,714	1,187	108	<b>3,009</b>
<b>Total of Exemptions</b>	<b>3,560</b>	<b>4,356</b>	<b>864</b>	<b>8,780</b>
<b>Total Balances after Exemptions</b>	<b>5,426</b>	<b>2,041</b>	<b>795</b>	<b>8,262</b>

3.10. Of the £8.2m balances after exemptions, only £13,777 exceeds the 10% thresholds at individual school level and is therefore available for clawback. It is not proposed to exercise the Schools Balances Control mechanism in this instance.

#### 4. **FINANCIAL, LEGAL AND OTHER IMPLICATIONS**

##### **Financial Implications**

This report is concerned throughout with financial implications.

##### **Legal Implications**

There are no direct legal implications arising from this report.

##### **Climate Change Implications**

There are no direct climate change implications arising from this report.

##### **Other Implications**

<b>OTHER IMPLICATIONS</b>	<b>YES/ NO</b>	<b>Paragraph/References Within the Report</b>
Equal Opportunities	No	
Policy	No	
Sustainable and Environmental	No	
Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on Low Income	No	
Corporate Parenting	No	
Health Inequalities Impact	No	

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**School Total/Headline Balances**

<b>School</b>	<b>Reserves 2008/09 (£)</b>	<b>Reserves 2009/10 (£)</b>	<b>Reserves 2010/11 (£)</b>
Abbey Primary Community School	-22,653	-67,110	613
Avenue Primary School	152,286	145,418	125,233
Alderman Richard Hallam Primary	98,180	135,623	59,688
Barleycroft Primary	84,127	132,958	243,095
Heatherbrook	9,298	59,052	97,909
Belgrave Ce Primary	627	33,570	123,284
Beaumont Lodge	96,245	95,001	121,096
Braunstone Frith Infants	65,900	67,599	147,810
Braunstone Frith Junior	81,425	105,998	125,249
Bridge Junior	52,977	26,641	60,666
Buswells Lodge	192,250	148,742	85,177
Braunstone Community Primary	68,683	82,008	45,761
Caldecote Primary	198,179	185,059	211,057
Catherine Infants	149,585	86,208	166,740
Catherine Junior	122,744	6,684	58,314
Charnwood Primary	76,711	68,346	54,488
Christ The King Rc	136,917	78,113	96,488
Coleman Primary	114,871	146,241	144,563
Doveland's Primary	73,780	39,432	94,244
Evington Valley Primary	104,959	123,682	127,490
Eyres Monsell Primary	155,622	125,785	157,714
Folville Junior	75,066	56,879	36,753
Forest Lodge Primary	127,323	155,949	226,882
Fosse Primary	126,722	43,558	83,105
Granby Primary	97,055	105,075	125,326
Green Lane Infants	48,437	62,391	107,425
Glebelands	48,461	37,480	68,122
Kestrel Fields Primary	66,851	89,601	135,996
Hazel Primary	116,869	43,704	171,368
Herrick Primary	59,735	66,560	97,948
Sparkenhoe Primary	147,622	207,841	235,156
Highfields Primary	66,065	63,738	69,278
Holycross Rc Primary	97,880	108,260	140,959
Humberstone Infants	57,972	41,677	14,394
Humberstone Junior	5,689	-112,756	490
Imperial Avenue Infants	102,598	69,508	100,086
Inglehurst Infants	151,991	113,469	201,957
Inglehurst Junior	161,309	126,765	47,944
King Richard Infant	204,283	225,855	256,211
Knighton Fields Primary	114,110	145,789	105,501
Linden Primary	118,518	135,337	106,864
Marriott Primary	94,005	101,223	81,455
Mayflower Junior	76,313	92,535	83,447
Medway Primary	-63,043	23,045	150,424
Mellor Primary	-1,629	45,709	118,141

Merrydale Infants	110,076	42,757	134,773
Merrydale Junior	97,652	80,496	78,086
Montrose Primary	105,843	53,911	116,671
Mowmacre Hill Primary	87,025	73,959	106,781
Parks Primary	148,251	106,514	130,561
Northfield House Primary	90,755	71,860	129,064
Overdale Infants	-48,455	-22,330	-43,624
Overdale Junior	171,517	184,274	145,013
Queensmead Primary	178,199	39,757	32,078
Rowlatts Hill Primary	1,297	61,057	175,359
Rushey Mead Primary	169,026	115,131	147,182
Rolleston Primary	59,790	51,334	109,262
Sacred Heart Rc Primary	9,173	35,884	85,406
Sandfield Close Primary	107,363	147,792	153,772
Scraptoft Valey Primary	198,593	226,985	138,766
Shaftesbury Junior	63,024	50,281	90,031
Shenton Primary	135,229	144,702	131,413
Slater Primary	-1,802	11,239	55,996
Spinney Hill Primary	161,498	248,650	176,036
St Barnabas Primary	33,168	85,066	121,900
St Johns Primary	58,777	47,270	58,824
St Josephs Rc Primary	43,050	34,984	80,359
St Marys Fields Infants	51,505	7,184	23,795
St Patricks Rc Primary	79,180	91,997	86,706
Hope Hamilton C Of E Primary	-66,791	-99,799	82,145
St Thomas Moore Rc	73,875	80,553	59,806
Stokes Wood Primary	197,425	208,407	44,379
Taylor Primary	234,253	209,081	198,530
Thurnby Lodge Primary	30,468	55,579	108,083
Uplands Infants	91,270	112,173	261,213
Uplands Junior	452,628	101,923	193,089
Whitehall Primary	94,248	127,133	130,147
Willowbrook Primary	38,201	23,422	5,086
Wolsey House Primary	97,880	162,965	120,498
Woodstock Primary	-51,239	-18,125	35,692
Wyvern Primary	84,564	93,769	171,216
<b>Total Primary Schools</b>	<b>7,499,431</b>	<b>6,922,080</b>	<b>8,986,004</b>
Oaklands	71,565	120,368	113,175
Ellesmere College	127,158	279,957	472,332
Keyham Lodge	630,272	299,686	341,830
Netherhall School	174,120	111,192	131,729
Childrens Hospital School	265,892	243,762	220,525
Ash Field	187,001	392,301	287,068
Millgate	328,434	218,762	8,950
West Gate	93,608	119,303	83,289
<b>Total Special Schools</b>	<b>1,878,050</b>	<b>1,785,331</b>	<b>1,658,897</b>
Beaumont Leys	713,143	553,933	457,331
Babington Cc	1,177,998	642,448	418,392
City Of Leicester	1,137,394	684,135	521,353
Crown Hills	731,128	801,818	897,587
English Martyrs	447,485	400,355	286,276
Hamilton	333,990	614,906	362,989
Judgemeadow	514,430	-128,029	-383,225
Lancaster Boys	579,330	349,821	393,298

Madani High School	45,443	49,026	24,073
Moat Cc	538,060	243,342	367,312
Fullhurst Cc	519,351	-58,670	-70,059
New College	762,669	571,774	526,895
Riverside	198,386	35,385	0
Rushey Mead	1,031,365	895,288	1,028,171
Sir Jonathan North	1,465,238	917,899	837,210
Soar Valley	895,662	591,445	624,107
St Pauls Rc	131,365	59,145	105,342
<b>Total Secondary Schools</b>	<b>11,222,437</b>	<b>7,224,023</b>	<b>6,397,054</b>
<b>Total All Schools</b>	<b>20,599,918</b>	<b>15,931,433</b>	<b>17,041,955</b>

**School Balances Control Mechanism Exemptions**

1. **Unspent Standards Fund Allocation** giving details of the type of fund and amount. It would be helpful if you could add what month you received the funds. Please will you state how you intend to spend this in the Summer Term 2010.
2. **Transitional Arrangements.** Schools holding unspent Standards Fund balances at 31<sup>st</sup> March 2009 in excess of £50,000 for Primary schools and £200,000 for Secondary and Special schools may retain up to 5/17ths of their 2010-11 SSG and SDG grants as per an agreement by Schools Forum. This will only apply to a small number of schools and is subject to them being able to demonstrate that the resources can be effectively deployed for the benefit of teaching and learning over a longer period in a planned way.
3. **Revenue funding of capital projects and BSF.** Schools are not normally expected to use revenue funding for capital projects but it is permitted under guidance from the DfE. Secondary and Special schools should show BSF reserves as a separate line within this category. Amounts already transferred to the City Council's reserve should **not** be included in this category.
4. **Exemptions under exceptional circumstances related to planning for uncertainty.** This should be used where the school feels it is prudent to maintain a reserve over the 10% threshold in the short term to support short-term costs whilst a sustainable budget plan is implemented or where there has been a short-term change in circumstances. This is designed to assist in developing long-term solutions for events such as falling pupil numbers or changes in staffing.
5. **Exemptions under exceptional circumstances related to committed or planned spending.** A school may have substantial spending commitments that justify maintaining a reserve over the 10% threshold. For example, this may include a substantial long-term maintenance programme. Any amounts relating to provision for backdated pay for Single Status/Job Evaluation that were **not** reserved as part of the 2010-11 closedown process should be included as a separate line in this category.