



Briefing note

To: Schools Forum **Author:** Elaine Appleby, Finance

Date: 18th May 2016

Title of Briefing: 2015/16 Schools Outturn & Headroom allocations

Purpose

A number of papers have been brought to the Forum throughout the year on school budgets and in particular those schools currently in deficit. Schools have now concluded their 2015/16 accounts closure exercise in line with the Local Scheme for Financing schools and the Authority's closure timetable. This report;

- Confirms how we allocated headroom funding (as agreed in principal at Forum on 16th March 2016)
- Confirms the final overall school balances position as at 31st March 2016
- Provides the timetable for schools requesting deficit approval for 2016/17 and scrutiny arrangements

1. Headroom allocations

At the March meeting we updated Schools Forum of the proposed allocations, for Schools in Financial difficulty (Headroom). Now that we have all schools' final outturn positions, we are able to allocate the Headroom. The table below shows the amount allocated to each school who requested deficit approval.

Initially St Bartholomew's C of E Primary was proposed to receive an allocation, however they have worked extremely hard and managed to balance their budget, therefore they have not received an allocation. The total allocated for headroom is therefore £100,000 based on schools outturns. The balance carried forward into 2016/17 is £0.094m which will be combined with the 2016/17 de-delegated budget.

School	Amount (£)
St Bartholomew's C of E Primary	£0
Longbenton Community College	£19,707
Marden High	£12,595
Monkseaton High	£32,837
Norham High	£26,413
Seaton Burn	£8,448
Total	£100,000

2. Individual School outturns

Schools concluded their 2015/16 closure exercise in line with the Local Scheme for Financing schools and the Authority's closure timetable.

The schools projected outturn position previously reported at the March meeting was £3.141m, the year end figure has seen this improved greatly. Although not as high as 2014/15, which was £7.637m, the collective school balances in North Tyneside maintained schools at 31st March 2016 are £6.982m. This is the balance which will be reported in the Council's statutory accounts and is before any commitments are taken into account.

Further analysis of the school balances by phase and between committed and uncommitted balances will be brought to Schools Forum in September following completion of the accounts and the Consistent Financial Reporting (CFR) submissions.

3. Timetable and scrutiny arrangements for schools requesting deficit approval for 2016/17

An email was sent to all schools on 5th May 2016, asking them to indicate if they were likely to request deficit approval and reminding them that their final Budget Plan should be with the Local Authority no later than 31st May in accordance with the Scheme for Financing Schools. It is anticipated at this stage there will be 10 schools requesting deficit approval. Five of which, will be the secondary schools who requested deficit approval in 2015/16.

The timetable below follows the process previously applied over the last year to support schools in financial difficulty:-

- All schools are required to submit budget plans for 2016/17 by 31st May 2016
- Schools deficit meetings planned from 9th June to 15th June
- Sub group of the Forum to meet between 27th June to 15th July (tbc)
- Deficit agreements approved by Head of Health, Education, Care and Safeguarding and Head of Finance Section and letters issued by end of July
- Position reported to Schools Forum September

The current members of the sub group are:

- Dave Erskine
- Jim Stephenson
- Gavin Storey
- Andrew James
- Peter Thorpe
- Adrian Smith
- Viv Buller

Recommendations

Schools Forum are asked to;

1. Note the final headroom allocations for 2015/16 and the carried forward headroom budget (£0.094m) which is to be added to 2016/17 headroom budget.
2. Note the position regarding overall mainstream school balances to March 2016.
3. Note the process for schools seeking deficit approval in 2016/17 and agree the sub group's membership.