



North Tyneside Council

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Briefing note

To: Schools Forum **Author:** Elaine Appleby, Finance
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Title of Briefing: 2016/17 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 2016/17 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 8th March 2017)
- Confirms the final overall school balances position as at 31st March 2017
- Provides the timetable for schools requesting deficit approval for 2017/18 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. Two schools were not allocated any headroom funding as the schools final outturn balance was over the deficit approval level and therefore did not meet the criteria for a headroom allocation.

The total allocated for headroom is £196,819 based on schools outturns. This was the amount agreed by the sub group. There is a small carried forward balance of £11,200 which is due to an underspend on the amount allocated for the Procurement Officer.

| School | Amount (£) |
|-----------------|--------------------|
| Ivy Road | £10,000.00 |
| Longbenton | £28,745.22 |
| Monkseaton High | £68,927.20 |
| Norham | £43,959.88 |
| Seaton Burn | £26,809.24 |
| Whitley Bay | £18,377.46 |
| Total | £196,819.00 |

2. Individual School outturns

Schools concluded their 2016/17 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 £0.879m, the year end figure has seen this improved greatly. Although not as high as 2015/16, which was £6.982m, the collective school balances in North Tyneside maintained schools at 31st March 2017 are £4.986m. 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 2017/18

An email was sent to all schools on 5th May 2017, 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 15 schools requesting deficit approval. Eight of which will be the primary and secondary schools who requested deficit approval in 2016/17.

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

- All schools are required to submit governor approved budget plans for 2017/18 by 31st May 2017
- Schools deficit meetings planned from 14th June to 23rd June
- Sub group of the Forum to meet between 26th June to 14th 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:

- Jim Stephenson
- Peter Thorp
- Gavin Storey
- John Newport
- Andrew James

Recommendations

Schools Forum are asked to;

1. Note the final headroom allocations for 2016/17.
2. Note the position regarding overall mainstream school balances to March 2017.
3. Note the process for schools seeking deficit approval in 2017/18 and agree the sub group's membership.