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Cyfarfod / Meeting

**FFORWM CYLLIDEB YSGOLION**

**SCHOOLS FINANCE FORUM**

Dyddiad ac Amser / Date and Time

**1.30 p.m. DYDD MAWRTH, 19 TACHWEDD 2013**

**1.30 p.m. TUESDAY, 19 NOVEMBER 2013**

Lleoliad / Location

**Ystafell Gyfarfod / Assembly Room**

**Hen Eglwys Santes Fair / Former St Mary's Church**

**Heol yr Eglwys / Church Street**

**TREMADOG**

Pwynt Cyswllt / Contact Point

**GLYNDA O'BRIEN**

**01341 424 301**

Dosbarthwyd: 14.11.13

## **AELODAETH / MEMBERSHIP**

### **AELODAU CABINET / CABINET MEMBERS**

Y Cyngorydd/Cllr Sian Gwenllian (Addysg)

Y Cyngorydd/Cllr Peredur Jenkins (Adnoddau)

### **CYFARWYDDWYR CORFFORAETHOL / CORPORATE DIRECTORS**

Mr Iwan Trefor Jones

Mr Dilwyn Williams

### **PENAETHIAID UWCHRADD / SECONDARY HEAD TEACHERS**

Mr Alun Llwyd – Ysgol Dyffryn Ogwen

Mr Emyr Hughes - Ysgol Dyffryn Nantlle

Mr Eifion Jones - Ysgol Brynrefail

Mr Vaughan Williams - Ysgol Syr Hugh Owen

### **PENAETHIAID CYNRADD / PRIMARY HEAD TEACHERS**

Mrs Iona Jones - Ysgol Edmwnd Prys/Bro Cynfal

Mr Gwyn Howells - Ysgol y Gelli

Mrs Sian Elen Pleming - Ysgol Llanaelhaearn

Mr Dylan Roberts - Ysgol Cymerau

Mrs Menna Wynn Pugh - Ysgol Penybryn

Mrs Esme Spencer - Ysgol Baladeulyn

### **UNDEBAU ATHRAWON / TEACHERS' UNIONS**

Mr Neil Foden – Ysgol Friars

### **LLYWODRAETHWYR / GOVERNORS**

#### **Arfon**

Mr Walter Williams – Ysgol Dyffryn Ogwen - Arennig, 14 Erw Las, Bethesda, Gwyedd

Mr Godfrey Northam - Ysgol Llanllechid – 4 Llwyn Bedw, Rachub, Llanllechid, Bangor, Gwynedd.

#### **Meirionnydd**

Mr Eifion Williams - Ysgol y Moelwyn – Tanrallt , Llan Ffestiniog , Blaenau Ffestiniog

Mr Gwynne Pierce - Ysgol Llanbedr – Bryn, Llanbedr, Gwynedd. LL45 2HW

#### **Dwyfor**

Mr Glyn Owen – Ysgol Uwchradd Botwnnog - Rhos Newydd, Mynytho, Pwllheli, LL53 7RW

Mr T. Elwyn Jones - Ysgol Bro Plenydd - Madryn , 30 Dolwar , Y Ffor

### **ESGOBAETH / DIOCESE**

Parchedig/Rev Robert Townsend

### **YSGOLION EGLWYS / CHURCH SCHOOLS**

Disgwyl enwebiad / Awaiting nomination

### **YSGOLION ARBENNIG / SPECIAL SCHOOLS**

Mrs Donna Roberts - Ysgol Hafod Lon ac Ysgol Pendalar

### **Sylwebyddion / Observers :**

Mr Harry Thomas, Prif Weithredwr/Chief Executive

Mr Dewi R Jones, Pennaeth Addysg/Head of Education Service

Mr Owen Owens , Uwch Reolwr Addysg/Education Senior Manager

Mr Hefin Owen , Rheolwr Cyllid y Gyfadran Datblygu/Finance Manager Development Directorate

Mr Cai Larsen, Cadeirydd Ffederasiwn Penaethiaid Cynradd

Mrs Alwen Watkin, Cadeirydd Ffederasiwn Penaethiaid Uwchradd

## **A G E N D A**

### **1. Apologies**

Apologies for absence

### **2. Declaration of Personal Interest**

To receive any declaration of personal interest.

### **3. Minutes**

To confirm the minutes of the Forwm held on 25 June 2013.  
(Copy enclosed – **white** paper)

### **4. Matters arising from the minutes**

- |       |   |          |       |
|-------|---|----------|-------|
| 6 (a) | Reviewing the Secondary Formula   | (verbal) | HO    |
| 6(ch) | Primary Schools' Allocation Formula Review  | (verbal) | OO    |
| 6 (d) | GwE Service Level Agreement   | (verbal) | DRJ   |
| 7 (b) | School Balances<br>Legal opinion on the implementation and legislation<br>Use of power for balances over 8% or ober £50k / £100k<br>Consultation to establish a threshold of 5% instead of 8%<br>Report back on research of increase on school balances | (verbal) | HO/OO |
| 10    | Increasing Devolvment – legal explanation   | (verbal) | HO    |
| 11    | Robert Hill Report commissioned by the Minister for Education<br>Update by the Education Officer  | (verbal) | DRJ   |

### **5. The Council's Financial Strategy** (verbal) DOW

### **6. School Balances**

Report by the Welsh Government (copy enclosed– **green** paper) HO

### **7. Service Level Agreements -** OO

- (a) Update of SLAs 2013/14
- (b) SLAs which need to be reviewed for April 2014

### **8. Any other matter**

### **9. Date of next meeting - 20/02/2014**

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**SCHOOLS' BUDGET FORUM**  
**Minutes of a meeting held at the Former St Mary's**  
**Church, Tremadog**  
**on 25 June 2013 from 9.00 a.m. until 11.30 a.m.**

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**Present:**

**Cabinet Members:** Councillor Siân Gwenllian (Education)  
Councillor Peredur Jenkins (Resources)

**School Heads:** Mr Gwyn Howells (Ysgol y Gelli), Mrs Sianelen Pleming (Ysgol Llanaelhaearn), Mrs Iona Jones (Ysgol Bro Cynfal/Edmwnd Prys), Mrs Esme Spencer (Ysgol Baladeulyn), Mrs Menna Wynne Pugh (Ysgol Penybryn, Tywyn) and Mrs Donna Rees Roberts (Ysgol Pendalar/Hafod Lon).

**Governors:** Mr Godfrey Northam (Primary Sector)  
Mr Gwynne Pierce (Primary Sector)

**Officers:** Mr Dewi Jones (Head of Education)  
Mr Hefin Owen (Development Finance Manager)  
Mr Owen Owens (Senior Manager Education)  
Mrs Glynda O'Brien (Members and Scrutiny Support Officer)

**Apologies:** Mr Harry Thomas (Chief Executive), Mr Iwan Trefor Jones (Corporate Director), Mr Dilwyn Williams (Corporate Director), Mr Vaughan Williams (Ysgol Syr Hugh Owen), Mr Emyr Hughes (Ysgol Dyffryn Nantlle), Mr Dylan Roberts (Ysgol Cymerau), Rev. Robert Townsend (Church Schools).

**1. ELECTION OF CHAIR**

**Resolved: To re-elect Mr Godfrey Northam as Chairman of the Schools' Budget Forum for 2013/14.**

**2. ELECTION OF VICE-CHAIR**

**Resolved: To re-elect Councillor Siân Gwenllian as Vice-chair of the Schools' Budget Forum for 2013/14.**

**3. WELCOME**

The Chairman welcomed Mrs Donna Rees Roberts, Head of Pendalar and Hafod Lon schools, to her first meeting of the Forum as a successor to Mr Ieuan Roberts.

4. **DECLARATION OF PERSONAL INTEREST**

Mr Hefin Owen, Development Finance Manager, declared an interest in relation to issues concerning Ysgol Syr Hugh Owen, as his wife was Chair of the Governing Body of that school.

5. **MINUTES**

The Chair signed the minutes of the meeting of the Schools' Budget Forum held on 4 February 2013 as a true record.

6. **MATTERS ARISING FROM THE MINUTES**

**(a) Item 3 (a) – Reviewing the Secondary Formula**

The Development Finance Manager reported that a meeting of the Secondary Formula Review Group would be arranged soon, ideally before the end of this term, or at the start of next term.

**Resolved: To accept and note the above.**

**(b) Item 5 – Funding Special Schools**

(i) The Head of Education reported that the decision of the Schools' Budget Forum at its last meeting had received the approval of the Council's Cabinet to invest additional funding in Ysgol Pendalar and Ysgol Hafod Lon.

(ii) The Head teacher of Ysgol Pendalar/Ysgol Hafod Lon reported that plans were on going and the Council had identified a site to develop a Special Education Excellence Centre of the highest order for the County with funding earmarked through resources from the Programme for Schools in the Twenty First Century. The next step was to provide a business plan.

**Resolved: To accept and note the above.**

**(c) Item 6 – Distribution of School Re-organisation Savings**

The Head of Education reported that the Council Cabinet had approved Option 2 in accordance with the recommendation of the Schools' Budget Forum at its last meeting namely to

“distribute the £200,000 of the savings in the schools re-organisation field in the catchment areas of Tywyn and Berwyn which will be implemented on 1 September 2013 to the 98 primary schools that will exist in Gwynedd at the time as follows:

- (i) Distribute £98,000 by removing the line “KS2 Scheme to support large classes” that distributes £1,000 to every school in order to remove the contribution. (This will not reduce the budget to support large KS2 classes)
- (ii) Distribute £102,000 based on the number of pupils who are entitled to free school meals (via the Additional Learning Needs and Deprivation heading)”

**Resolved: To accept and note the above.**

**(ch) Item 7 - Primary Schools' Allocation Formula Review**

(i) The Senior Education Manager reported that the Task Group had given consideration to issues stemming from the consultation on the review of the primary schools allocation formula and the following issues were receiving further attention:

- (a) Deprivation – if the element of deprivation within the formula was to be strengthened additional resources should be received from whatever resources available such as school re-organisation savings.
- (b) Include the Headings of Assistants and Teacher Allowances separately – it was agreed to investigate this further and Mr John Roberts had agreed to undertake this work.
- (c) Supervision Time – a range of different methods would be discussed at the next Task Group meeting.
- (d) Foundation Phase Grant – different models would be presented

(ii) In response to the above, the Education Cabinet Member noted that the priority was to support vulnerable pupils, however, she did not anticipate that there would be additional financial sources available. It was interesting to note that the Task Group had no opinion on how to reduce balances and could not the balances be used to strengthen the requirements of deprivation.

(iii) A Head teacher noted that the Task Group felt that it was not their role to deal with balances.

**Resolved: To accept and note the above.**

**(d) Item 10 – GwE Service Level Agreement**

(i) The Head of Education noted his concern that primary schools were not willing to sign the GwE Service Level Agreement as recommended at the previous meeting of the Schools Funding Forum and the GYDCA. Forum members were reminded that the agreement was equivalent to £250,000 and if schools did not agree to commit, it would be necessary for the Authority to reclaim the money out of last year's schools budget. It was understood that two authorities operated by retaining the schools improvement budget centrally.

(ii) The Chair added that there was some concern in the Secondary sector also.

**Resolved: To accept and note the above.**

**7. FINAL ACCOUNTS 2012/13**

Submitted the Head of Education's report outlining the accounts together with observations on the balances and the monitoring procedure.

(a) The Development Finance Manager referred to the **monitoring procedure** and noted that schools had been asked to establish budgets by the end of May and by so doing they state that they commit £1,953,915 of balances when establishing the budget, which lead to the initial aim that balances were reduced to £2,414,521 at the end of the financial year. However, it was noted that the actual situation at the end of the financial year showed balances of £3,813,317 namely £1,398,796 more than the estimate. It was added that this was a historical pattern and that it was appropriate to find and understand the reasons for the increase and to this end some schools had been targeted in order to work with them and report back on the findings at the next Forum meeting in November 2013.

(b) In terms of the **balances**, reference was made to the operational system namely that the School Funding (Wales) Regulations 2010 gave the authority power when the surplus was over the threshold of £50,000 in the primary sector or £100,000 in the secondary and special schools sector. Members were reminded of the decisions of the Budget Forum and the Council's Board to operate above the £50,000/£100,000 threshold and use 8% of the allocation or whichever was the greatest. It was proposed to target some schools in order to ascertain the reasons for the increase in balances with the intention of reporting back to the Forum at its meeting in November. In the meantime, it was also trusted that a legal opinion would be received regarding the operational procedure and the legislation. Other authorities had also been contacted to find out how they operated and specific reference was made to Wrexham Council who operate outside the legislation and every school had subscribed to retain balances up to the threshold of 5%.

It was suggested to the Forum that they should consider reviewing the previous decision regarding the percentage of 8% and that it should be reduced to 5%.

During the ensuing discussion the following points were highlighted:

- (i) It was understood that one secondary school operated on 2.5% and tried to retain balances of between 2.5% - 5%
- (ii) in the context of the general financial position, that the financial forecast for authorities in Wales was quite disastrous and changing arrangements of how to maintain Council services would have to be considered. The Finance Cabinet Member felt that there would be no sympathy with schools that retain balances over a specific percentage and that authorities would have to take action.
- (iii) In response to the above, the Development Finance Manager explained that the authority could not act on balances under £50,000/£100,000 in accordance with the legislation. However, if the Forum resolved to act on the basis of a percentage of 5% (instead of £50k/£100k that were in the Regulations) every school would have to subscribe in order to implement this.
- (iv) It was noted that it was important that schools completed the questionnaire correctly regarding any balances over the threshold. It was felt that this was good practice.
- (v) Examples were given by individual Head teachers of savings that had doubled even following implementing the excess arrangements.
- (vi) In response to the above, the Development Finance Manager promised that he would conduct research into specific schools namely Ysgol y Gelli and the Schools of Bro Cynfal and Edmwnd Prys.
- (vii) In the context of Ysgol Penybryn, Tywyn, the Head teacher explained that it would not be possible to spend the balance as the money had been planned and was required for re-organisation arrangements in the area.



- (viii) In response, the Development Finance Manager explained that if schools had valid reasons for using the balances that the Authority would not take money back.
- (ix) That the current arrangements were not sustainable and the system would have to change.
- (x) It was asked if it would be possible for schools to receive 3 year projected forecasts earlier.

Following a vote it was:

**Resolved: To request the Development Finance Manager during the next period**

- (a) Gives guidance to schools regarding balances over the threshold of 5%**
- (b) Uses the power to operate in accordance with legislation to take money back when schools had a surplus having set a budget over the £50,000 / £100,000 threshold**
- (c) Formally consults with schools to commit to establish a threshold of 5% or £50k/£100k whichever was the lesser.**

**8. SCHOOL EFFECTIVENESS GRANT, PUPILS DEPRIVATION GRANT, WELSH IN EDUCATION GRANT AND SECONDARY SCHOOLS BAND 4/5 GRANT**

The report of the Head of Education was submitted outlining the arrangements and financial sums to devolve the funding of the above grants and the liability associated with these.

The Head of Education reported that the Welsh Government guidance regarding the grants had been received extremely late. Members were guided through the contents of the report and noted that it will be a requirement for schools to claim the grants by completing the appropriate forms submitted to them during the week 1-5 July.

(a) SEG - it was noted that this was a grant to secure training for numeracy, literacy and closing the gap. The authority was requested to devolve at least 75% of the grant this year. Attention was drawn to the fact that there had been a considerable change in requirements and the level of accountability this year and schools had to identify their needs e.g. specialist training within the catchment area. A grant was offered on the grounds of the number of pupils (60%), number of staff (20%) and the percentage of free school meals for each sector (20%). Schools were requested to present evidence of the expenditure together with the impact of any expenditure on the achievements of pupils.

In terms of In Service Training, the Head of Education noted that it was a matter for schools to recognise the need. It was suggested that every catchment area could identify leading specialisms within the catchment area to share good practice and the need to elaborate on this.

(b) PDG – It was noted that 100% of the allocation of this grant was devolved to schools on the basis of £450 per head to every pupil on the free school meals register during the PLASC census in January 2012.

- (c) Looked after children – It was noted that it will be a requirement to see exactly how many looked after children were in each school in order to allocate the sums.
- (d) Welsh Language Grant - It was noted that this grant was shared in accordance with the requirements of the Strategic Plan for Welsh.
- (dd) Secondary Schools Grant Band 4/5 – It was noted that a grant of £10,000 was allocated to the five secondary schools in Gwynedd within bands 4 and 5 to raise standards.

During the ensuing discussion the following points were highlighted:

- (i) It was felt that the funding should have been in place and operational since 1<sup>st</sup> April
- (ii) That it would be useful to receive examples of catchment area good practices and the outcomes on pupils' achievements.

**Resolved: To approve the allocations and the operational methods.**

## **9. SERVICE LEVEL AGREEMENTS**

A report was presented by the Head of Education submitting the Service Level Agreements for Schools.

The individual agreements were reported as follows:

(a) Maintenance of Secondary Schools – the Senior Education Manager reminded members that there was an extension to this agreement last year for a period of a year, however, a new agreement had been completed now and representatives of secondary head teachers had given their comments on this. In terms of changes, the new document was much simpler and in terms of specific responsibilities the only change was that the Council was responsible for funding the disposal of asbestos from floors when schools wished to have a new floor covering. Reference was made to one email address and one telephone number for enquiries that will simplify the process for Head teachers.

(b) The Cognition and Learning Team – the Head of Education noted that the agreement had been submitted to a meeting of GYDCA recently and the Forum's attention was drawn to the fact that if schools opted out of the agreement it was a requirement to undertake external monitoring work on the school in this field.

(c) Integration – It was requested that this agreement was extended for another year without changes.

(ch) Governors' Clerk – the Senior Education Manager noted that there was a request for authorities to establish a governors' clerk service to schools who required the service. There was not much demand for the service as the majority of schools already had a Governors Clerk. The agreement cost of £800 took into consideration employing a clerk and additional costs associated with advertising, training, administering clerk placements and organising supply clerks when running the central service.

**Resolved: To approve the above Service Level Agreements.**

**10. INCREASING DEVOLVEMENT**

A report was presented by the Head of Education regarding devolving additional services to schools.

The Development Finance Manager suggested that the Forum defer discussing the contents of the report as legal enquiries were currently on-going regarding the devolvement of central budgets.

**Resolved: To defer the consideration of the devolvement of more responsibilities to schools until legal clarification is received.**

**11. ANY OTHER BUSINESS – ROBERT HILL REPORT COMMISSIONED BY THE MINISTER FOR EDUCATION**

The Head of Education took the opportunity to draw attention to the contents of the above report commissioned by the Minister for Education. It was noted that the report was divided as follows:

1. Improving teaching and learning
2. Strengthening Leadership
3. Nurturing more of a partnership between schools
4. Improving the Accountability of the system
5. What are the options in terms of the school improvement field

There were a total of 182 different options within the document for consultation by 13 September 2013.

Examples of what was to be achieved were noted within the sub-sections of the report in the short and medium term.

<b>Short-term</b>	<b>Medium-term.</b>
Numeracy, Literacy Framework Tracking System Welsh Training Leaders	Increasing the schools that are identified as leader practitioners How well do schools use grants
Establish Leadership Development Boards (across north Wales) – (power to commission the best schools to provide training)	Delegate a higher level of grants to schools who work via a federation
A clear trail to identify joint working via formal partnerships – sharing good practice	Allocation of capital funding via a federation

Establish a financial initiative to assist weak schools	Working with authorities to standardise an allocation formula
Delegate an allocation of Government grants to schools that are good or better without having to plan	
National template for a Service Level Agreement	
Continue with the banding system	
Inspect schools on a more commensurate basis – less notice 2/3 working days	Work with CBI Cymru to develop and identify individuals for recruitment
Dispose of approximately a third of local authority services	
Fund a Consortia directly Present a standard set of functions	

Schools' awareness of the contents of the report will be raised and to receive their observations. It was noted that a great deal of elements were already at work, however, it was necessary to go through the report in greater detail. The report will be submitted to the Cabinet in due course in order that the Council can respond formally.

**Resolved: To accept and note the above.**

## 12. DATES OF NEXT MEETINGS

**Resolved: To note the following dates for the next Forum meetings:**

**19 November 2013**

**20 February 2014**

**CHAIRMAN**

<b>MEETING</b>	SCHOOLS FINANCE FORUM
<b>DATE</b>	19 November 2013
<b>TITLE</b>	Schools' Balances
<b>PURPOSE</b>	
<b>RECOMMENDATION</b>	
<b>AUTHOR</b>	Dewi R Jones, Head of Education
<b>CABINET MEMBER FOR EDUCATION</b>	Councillor Sian Gwenllian

## Wales Government Publication (SDR 183/2013)

### Comments

1. I have already reported to the previous meeting of the School Budget Forum (25/6/13) on the reduction in Gwynedd schools balances from £4.4m on the 31 March 2012 to £3.8m on the 31 March 2013.
2. Following the recent publication by Wales Government of school balances as at 31 March 2013 (Appendix 2) there is an opportunity to compare Gwynedd schools balances with other Welsh Local Authorities.
3. Table 2 of Appendix 2 shows Gwynedd schools balances as a percentage of delegated budgets at 4.5% compared to a Wales average of 3.3%, with Gwynedd's percentage continuing to be amongst the highest in Wales.
4. Following a request by Gwynedd Council, Wales Government now publish information on negative balances in tables 1 and 2, with the total negative balances in Gwynedd appearing to be comparatively small. Of course the aim is that none of our schools should have negative balances.
5. Through receiving the information on negative balances I am now able to recalculate the school balances percentage excluding negative balances as you can see in Appendix 1. This calculation provides a fairer picture of school balances.

### Conclusion

1. The comparatively high level of balances in Gwynedd schools continues to cause concern as **some schools** do not, it would appear, make the best use of the finance available for pupils who are currently within the education system. This matter has previously been highlighted on numerous occasions by the Cabinet Member for Education.
2. The high level of balances in some Gwynedd schools is also an obstacle to the Cabinet Member for Education whilst attempting to defend schools from high financial cuts.

# Ystadegau Cenedlaethol - Balansau Ysgolion Cymru 31 Mawrth 2013

## EITEM 6 - Atodiad 1

with £6.2 million. The lowest was Isle of Anglesey with £1.2 million. Conwy had the highest level of reserves as a percentage of schools expenditure with 5.0%.

**Table 2 - Year on year changes in school reserves**

Authority	£ million										School reserves at 31 March as a percentage of delegated school expenditure			Colofn ychwanegol gan Cyngor Gwynedd  Ail gyfrifo canran balansau gan anwybyddu balansau negyddol
	School reserves at 31 March						Total			Total		Percentage point change	%	
	Positive			Negative			Total			%	%		%	
	2012	2013	Change	2012	2013	Change	2012	2013	Change	2012	2013		2013	
Isle of Anglesey	2.1	2.2	0.1	-0.8	-1.0	-0.2	1.3	1.2	-0.1	3.3	2.6	-0.7	4.9	
Gwynedd	4.7	4.1	-0.6	-0.3	-0.2	0.0	4.4	3.8	-0.6	5.9	4.5	-1.4	4.8	
Conwy	4.3	3.8	-0.5	0.0	-0.0	-0.0	4.3	3.8	-0.5	5.9	5.0	-0.9	5.0	
Denbighshire	2.4	3.6	1.2	-0.6	-0.7	-0.2	1.8	2.9	1.1	2.6	4.1	1.4	5.1	
Flintshire	3.1	2.9	-0.2	-0.4	-0.3	0.1	2.7	2.6	-0.1	3.0	2.6	-0.4	3.0	
Wrexham	2.0	1.9	-0.1	-0.5	-0.2	0.3	1.5	1.7	0.2	1.9	2.0	0.1	2.3	
Powys	4.1	4.1	-0.0	-2.0	-1.5	0.5	2.1	2.6	0.4	2.5	3.0	0.5	4.8	
Ceredigion	1.6	1.9	0.2	-0.2	-0.3	-0.1	1.4	1.6	0.2	3.1	3.5	0.3	4.1	
Pembrokeshire	3.4	2.8	-0.6	0.0	-0.1	-0.1	3.4	2.8	-0.6	4.3	3.4	-1.0	3.4	
Carmarthenshire	6.8	5.9	-0.9	-0.8	-0.6	0.2	6.0	5.3	-0.7	5.0	4.1	-0.8	4.6	
Swansea	6.0	6.8	0.8	-0.8	-0.6	0.3	5.1	6.2	1.1	3.9	4.1	0.2	4.5	
Neath Port Talbot	3.2	3.7	0.5	-0.5	-0.3	0.2	2.7	3.4	0.7	3.0	3.6	0.6	3.9	
Bridgend	4.2	3.9	-0.3	-0.2	-0.2	-0.0	4.0	3.7	-0.3	4.2	3.7	-0.5	3.9	
Vale of Glamorgan	3.6	3.3	-0.3	-0.1	0.0	0.1	3.5	3.3	-0.2	3.9	3.6	-0.4	3.6	
Cardiff	6.6	5.3	-1.3	-3.6	-2.6	1.1	3.0	2.8	-0.2	1.4	1.2	-0.2	2.4	
Rhondda Cynon Taf	7.1	6.9	-0.2	-1.2	-1.2	0.1	5.9	5.8	-0.1	3.5	3.2	-0.3	3.9	
Merthyr Tydfil	1.4	1.5	0.1	-0.2	-0.0	0.1	1.2	1.5	0.2	3.1	3.4	0.4	3.5	
Caerphilly	4.3	5.0	0.6	-0.1	-0.2	-0.1	4.3	4.7	0.5	3.8	4.0	0.2	4.2	
Blaenau Gwent	2.1	2.0	-0.1	-0.8	-0.5	0.3	1.3	1.5	0.2	2.8	3.1	0.3	4.2	
Torfaen	2.9	2.7	-0.2	-0.0	-0.1	-0.0	2.9	2.7	-0.2	4.3	3.9	-0.4	4.1	
Monmouthshire	1.5	1.6	0.1	-0.5	-0.4	0.1	1.0	1.2	0.2	1.9	2.3	0.4	3.1	
Newport	3.6	4.5	0.9	-0.1	-0.2	-0.1	3.6	4.4	0.8	3.9	4.5	0.6	4.6	
Wales	80.9	80.4	-0.5	-13.6	-11.2	2.5	67.3	69.2	2.0	3.5	3.3	-0.1	3.9	
Lowest										1.4	1.2			
Highest										5.9	5.0			

Source: Section 52 Outturn forms

SDR 183/2013

24 October 2013

## Reserves Held by Schools in Wales at 31 March 2013

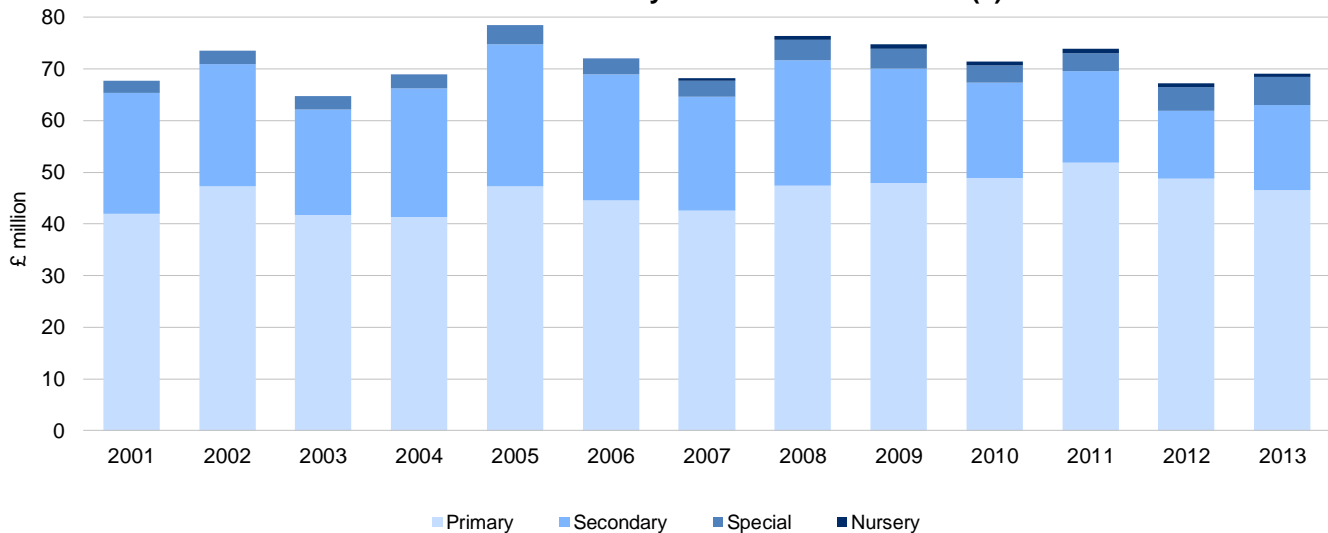
### Introduction

This statistical release provides an analysis of financial reserves held by schools in Wales for the financial years 2011-12 and 2012-13. Reserves are sums of money that schools carry forward from one year to the next. They arise from underspends and overspends against school allocations over time.

### Key points

- The overall level of reserves held by schools in Wales was £69 million at 31 March 2013, the equivalent of £154 per pupil (table 1). This is an increase of 2.9% compared with the previous year (table 2). Reserves in primary schools accounted for £47 million or 67% of the total (table 4).
- The level of reserves as a percentage of delegated schools expenditure was 3.3%, a decrease of 0.1 of a percentage point over the previous year (table 2).
- Conwy had the highest level of reserves as a percentage of delegated school expenditure at 5.0% and Cardiff had the lowest at 1.2% (table 2 and chart 4).
- At 31 March 2013, 134 primary, 50 secondary and 3 special schools in Wales had negative reserves (i.e. deficits) totalling £11 million. The remaining 1,546 schools had positive reserves, 215 of which had reserves in excess of 10% of their total delegated expenditure (tables 3 and 4).

Chart 1: Reserves held by schools as at 31 March (a)



(a) From 2007, nursery schools are identified separately on the Section 52 return.

Additional information is available at [www.statswales.wales.gov.uk](http://www.statswales.wales.gov.uk)

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**Next update:** October 2014 (provisional)

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Table 1 provides an analysis of the reserves position at 31 March 2013 and the delegated schools expenditure during the 2012-13 financial year. Schools within each local authority can have positive or negative reserves and this is shown in more detail in tables 6 and 7. Conwy recorded the highest value of overall reserves per pupil with £243 while Cardiff recorded the lowest with £56 per pupil.

**Table 1 - Delegated schools expenditure, level of school reserves and reserves per pupil**

Authority	2012-13		School reserves at 31 March 2013			School reserves at 31 March 2013		
	Delegated school expenditure (£ million)	Delegated school expenditure per pupil (£) (a)	Positive reserves (£ million)	Negative reserves (£ million)	Total reserves (£ million)	Positive reserves per pupil (£) (a)	Negative reserves per pupil (£) (a)	Total reserves per pupil (£) (a)
Isle of Anglesey	44.8	4,842	2.2	-1.0	1.2	235	-107	128
Gwynedd	83.9	5,062	4.1	-0.2	3.8	245	-15	230
Conwy	75.8	4,880	3.8	-0.0	3.8	243	-0	243
Denbighshire	70.4	4,664	3.6	-0.7	2.9	238	-48	190
Flintshire	98.8	4,320	2.9	-0.3	2.6	129	-15	114
Wrexham	84.1	4,580	1.9	-0.2	1.7	105	-13	92
Powys	85.5	4,565	4.1	-1.5	2.6	218	-80	139
Ceredigion	45.5	4,834	1.9	-0.3	1.6	199	-32	167
Pembrokeshire	82.5	4,673	2.8	-0.1	2.8	161	-3	157
Carmarthenshire	128.0	4,758	5.9	-0.6	5.3	218	-22	196
Swansea	151.5	4,528	6.8	-0.6	6.2	202	-17	185
Neath Port Talbot	95.3	4,884	3.7	-0.3	3.4	189	-16	174
Bridgend	100.8	4,512	3.9	-0.2	3.7	176	-8	167
Vale of Glamorgan	92.4	4,393	3.3	0.0	3.3	157	0	157
Cardiff	224.9	4,580	5.3	-2.6	2.8	109	-52	56
Rhondda Cynon Taf	179.4	4,595	6.9	-1.2	5.8	177	-29	148
Merthyr Tydfil	42.2	4,652	1.5	-0.0	1.5	164	-4	160
Caerphilly	118.2	4,287	5.0	-0.2	4.7	180	-8	172
Blaenau Gwent	47.6	5,106	2.0	-0.5	1.5	214	-55	159
Torfaen	67.5	4,502	2.7	-0.1	2.7	183	-6	177
Monmouthshire	51.4	4,489	1.6	-0.4	1.2	138	-34	104
Newport	98.3	4,171	4.5	-0.2	4.4	193	-7	186
Wales	2,069.0	4,589	80.4	-11.2	69.2	178	-25	154
Lowest		4,171	1.5	-2.6	1.2	105	-107	56
Highest		5,106	6.9	0.0	6.2	245	0	243

Source: Section 52 Outturn forms

(a) Calculated using provisional data. Full-time equivalent pupil numbers are calculated from the Pupil Level Annual School Census 2013. They are based on numbers at January 2013 so will not reflect changes throughout the year. They include pupils attending nursery, primary, middle, secondary and special schools but exclude those attending pupil referral units.

**Chart 2: Reserves per pupil at 31 March 2013**

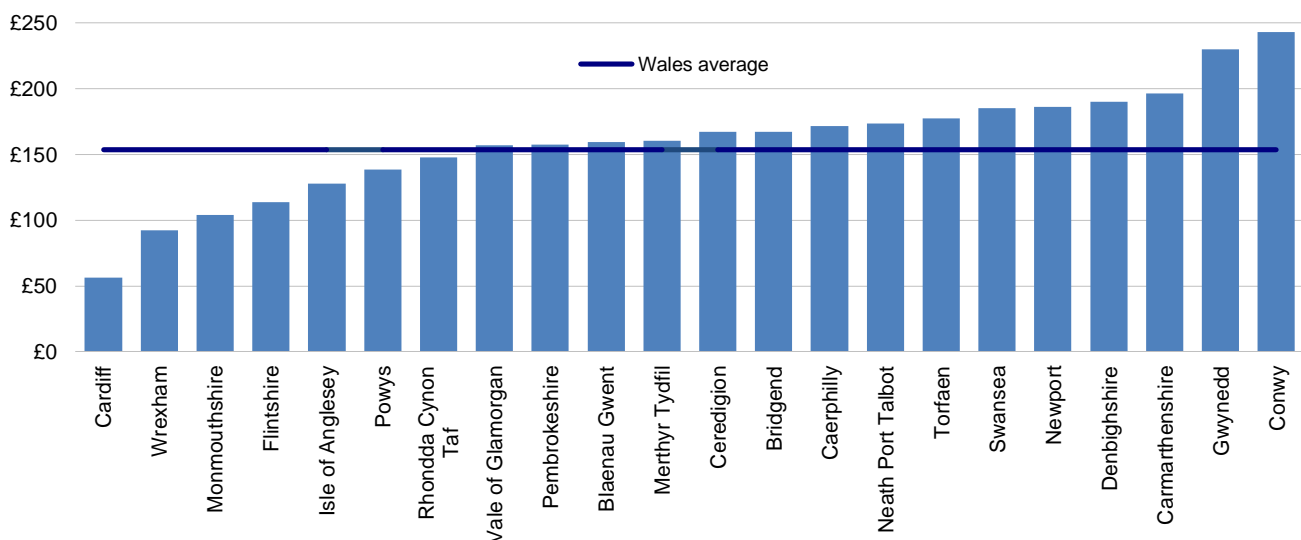




Table 2 shows the annual changes in school reserves. The authority with the highest aggregate level of school reserves at 31 March 2013 was Swansea with £6.2 million. The lowest was Isle of Anglesey with £1.2 million. Conwy had the highest level of reserves as a percentage of schools expenditure with 5.0%.

**Table 2 - Year on year changes in school reserves**

Authority	School reserves at 31 March									School reserves at 31 March as a percentage of delegated school expenditure		
	Positive			Negative			Total			Total		Percentage point change
	2012	2013	Change	2012	2013	Change	2012	2013	Change	%	%	
	£ million											
Isle of Anglesey	2.1	2.2	0.1	-0.8	-1.0	-0.2	1.3	1.2	-0.1	3.3	2.6	-0.7
Gwynedd	4.7	4.1	-0.6	-0.3	-0.2	0.0	4.4	3.8	-0.6	5.9	4.5	-1.4
Conwy	4.3	3.8	-0.5	0.0	-0.0	-0.0	4.3	3.8	-0.5	5.9	5.0	-0.9
Denbighshire	2.4	3.6	1.2	-0.6	-0.7	-0.2	1.8	2.9	1.1	2.6	4.1	1.4
Flintshire	3.1	2.9	-0.2	-0.4	-0.3	0.1	2.7	2.6	-0.1	3.0	2.6	-0.4
Wrexham	2.0	1.9	-0.1	-0.5	-0.2	0.3	1.5	1.7	0.2	1.9	2.0	0.1
Powys	4.1	4.1	-0.0	-2.0	-1.5	0.5	2.1	2.6	0.4	2.5	3.0	0.5
Ceredigion	1.6	1.9	0.2	-0.2	-0.3	-0.1	1.4	1.6	0.2	3.1	3.5	0.3
Pembrokeshire	3.4	2.8	-0.6	0.0	-0.1	-0.1	3.4	2.8	-0.6	4.3	3.4	-1.0
Carmarthenshire	6.8	5.9	-0.9	-0.8	-0.6	0.2	6.0	5.3	-0.7	5.0	4.1	-0.8
Swansea	6.0	6.8	0.8	-0.8	-0.6	0.3	5.1	6.2	1.1	3.9	4.1	0.2
Neath Port Talbot	3.2	3.7	0.5	-0.5	-0.3	0.2	2.7	3.4	0.7	3.0	3.6	0.6
Bridgend	4.2	3.9	-0.3	-0.2	-0.2	-0.0	4.0	3.7	-0.3	4.2	3.7	-0.5
Vale of Glamorgan	3.6	3.3	-0.3	-0.1	0.0	0.1	3.5	3.3	-0.2	3.9	3.6	-0.4
Cardiff	6.6	5.3	-1.3	-3.6	-2.6	1.1	3.0	2.8	-0.2	1.4	1.2	-0.2
Rhondda Cynon Taf	7.1	6.9	-0.2	-1.2	-1.2	0.1	5.9	5.8	-0.1	3.5	3.2	-0.3
Merthyr Tydfil	1.4	1.5	0.1	-0.2	-0.0	0.1	1.2	1.5	0.2	3.1	3.4	0.4
Caerphilly	4.3	5.0	0.6	-0.1	-0.2	-0.1	4.3	4.7	0.5	3.8	4.0	0.2
Blaenau Gwent	2.1	2.0	-0.1	-0.8	-0.5	0.3	1.3	1.5	0.2	2.8	3.1	0.3
Torfaen	2.9	2.7	-0.2	-0.0	-0.1	-0.0	2.9	2.7	-0.2	4.3	3.9	-0.4
Monmouthshire	1.5	1.6	0.1	-0.5	-0.4	0.1	1.0	1.2	0.2	1.9	2.3	0.4
Newport	3.6	4.5	0.9	-0.1	-0.2	-0.1	3.6	4.4	0.8	3.9	4.5	0.6
Wales	80.9	80.4	-0.5	-13.6	-11.2	2.5	67.3	69.2	2.0	3.5	3.3	-0.1
Lowest										1.4	1.2	
Highest										5.9	5.0	

Source: Section 52 Outturn forms

Table 3 shows the number of schools in Wales with reserves as a percentage of delegated schools expenditure at the end of 2012-13 broken down by school sector. The table groups schools according to whether the level of reserves is negative (i.e. a deficit), under 5%, between 5% and 10%, or over 10% of their delegated school expenditure. 134 primary and 50 secondary schools had negative reserves at the end of March 2013. A further 189 primary and 5 secondary schools had reserves of over 10% of their expenditure.

**Table 3 - Number of schools with reserves as a percentage of delegated schools expenditure**

					<i>number</i>
Sector	Negative	Less than 5%	Between 5% and 10%	Over 10%	All schools
Nursery	1	7	3	11	22
Primary	134	675	447	189	1,445
Secondary	50	134	35	5	224
Special	3	19	11	10	43
<b>Total</b>	<b>188</b>	<b>835</b>	<b>496</b>	<b>215</b>	<b>1,734</b>

Source: Section 52 Outturn forms

Table 4 shows the total value of reserves as a percentage of delegated schools expenditure at the end of 2012-13. The total deficit for schools with negative reserves was £2 million for primary and £9 million for secondary schools. Reserves in schools with over 10% of their delegated expenditure amounted to £12 million for primary and £2 million for secondary schools.

**Table 4 - Total value of school reserves as a percentage of delegated schools expenditure**

					<i>£ million</i>
Sector	Negative	Less than 5%	Between 5% and 10%	Over 10%	All schools
Nursery	0	0	0	1	1
Primary	-2	15	22	12	47
Secondary	-9	14	9	2	17
Special	0	1	1	3	5
<b>Total</b>	<b>-11</b>	<b>30</b>	<b>32</b>	<b>17</b>	<b>69</b>

Source: Section 52 Outturn forms

Table 5 shows the proportion of schools with reserves as a percentage of delegated schools expenditure at the end of 2012-13. 9% of primary schools and 22% of secondary schools had negative reserves. A further 13% of primary schools and 2% of secondary schools had reserves greater than 10% of their delegated schools expenditure.

**Table 5 - Proportion of schools across each sector with reserves as a percentage of delegated schools expenditure**

					<i>per cent</i>
Sector	Negative	Less than 5%	Between 5% and 10%	Over 10%	
Nursery	5	32	14	50	
Primary	9	47	31	13	
Secondary	22	60	16	2	
Special	7	44	26	23	
<b>Total</b>	<b>11</b>	<b>48</b>	<b>29</b>	<b>12</b>	

Source: Section 52 Outturn forms

The tables above can be combined to make a statement to the effect of for example, 134 or 9% of primary schools had negative reserves totalling £2 million.

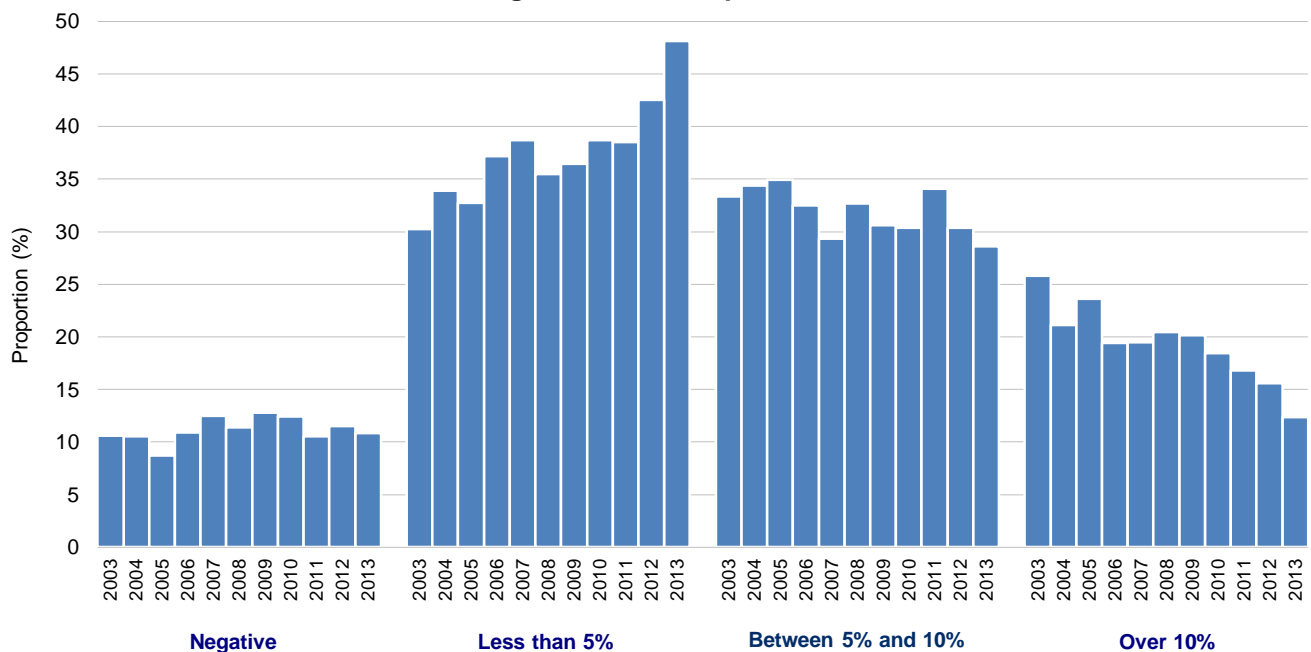
Table 6 shows the proportion of schools whose level of reserves is negative (i.e. a deficit), under 5%, between 5% and 10%, or greater than 10% of their delegated schools expenditure. Carmarthenshire had the highest proportion of schools with negative reserves (23%), whilst Vale of Glamorgan were the only authority that did not have any schools with negative reserves. At the other end of the scale, Ceredigion had the highest proportion of schools (31%) with reserves of over 10% with Wrexham having the lowest (0%).

**Table 6 - Proportion of all schools across each local authority with reserves as a percentage of delegated schools expenditure**

	<i>per cent</i>			
	Negative	Less than 5%	Between 5% and 10%	Over 10%
Isle of Anglesey	19	44	28	9
Gwynedd	10	38	37	15
Conwy	3	41	36	20
Denbighshire	19	27	27	26
Flintshire	14	49	28	9
Wrexham	8	78	14	0
Powys	20	42	19	20
Ceredigion	9	35	25	31
Pembrokeshire	3	50	34	13
Carmarthenshire	23	31	31	15
Swansea	5	46	36	13
Neath Port Talbot	5	60	24	11
Bridgend	14	57	24	5
Vale of Glamorgan	0	60	34	6
Cardiff	12	65	16	7
Rhondda Cynon Taf	9	44	37	10
Merthyr Tydfil	6	55	26	13
Caerphilly	13	54	30	2
Blaenau Gwent	9	56	18	18
Torfaen	3	49	38	10
Monmouthshire	13	53	21	13
Newport	3	47	40	10
Wales	11	48	29	12
Lowest	0	27	14	0
Highest	23	78	40	31

Source: Section 52 Outturn forms

**Chart 3: Proportion of schools across each year with reserves as a percentage of delegated schools expenditure**



**Chart 4: School reserves as a percentage of delegated schools expenditure**

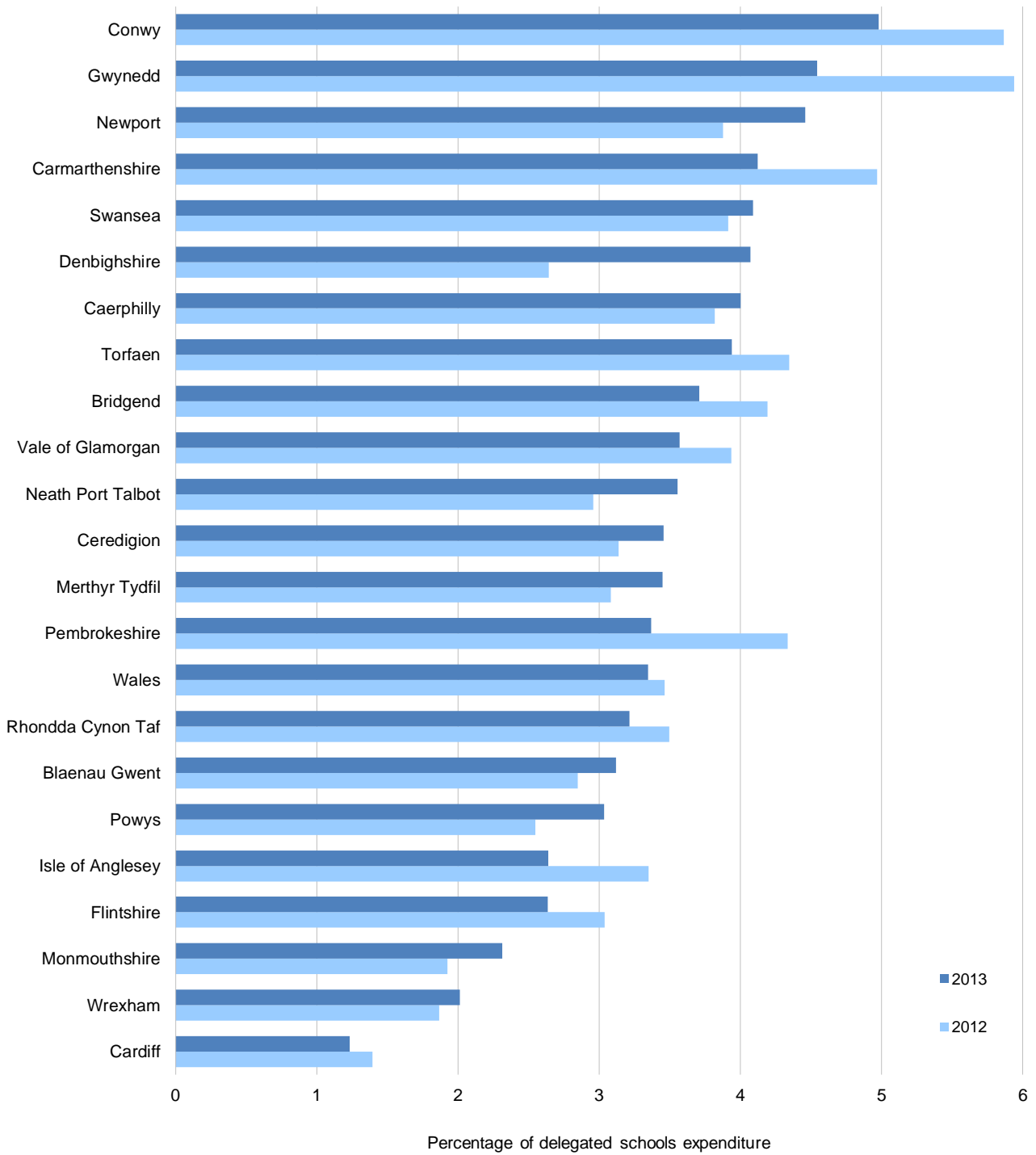


Table 7 shows the level of school reserves by local authority and school sector.

**Table 7 - Level of school reserves at 31 March 2013, by school sector**

Authority	Nursery			Primary			Secondary			Special			Overall
	Positive	Negative	Total	Positive	Negative	Total	Positive	Negative	Total	Positive	Negative	Total	Total
Isle of Anglesey	.	.	.	1.1	-0.1	1.0	1.0	-0.8	0.2	0.0	0.0	0.0	1.2
Gwynedd	.	.	.	2.4	-0.0	2.3	1.7	-0.2	1.5	0.0	-0.0	-0.0	3.8
Conwy	.	.	.	2.3	-0.0	2.3	1.3	0.0	1.3	0.1	0.0	0.1	3.8
Denbighshire	.	.	.	1.8	-0.1	1.7	1.0	-0.6	0.4	0.8	0.0	0.8	2.9
Flintshire	0.0	0.0	0.0	2.0	-0.1	1.9	0.7	-0.2	0.5	0.2	0.0	0.2	2.6
Wrexham	0.0	0.0	0.0	1.5	-0.0	1.5	0.4	-0.2	0.2	0.0	-0.0	-0.0	1.7
Powys	.	.	.	2.3	-0.4	1.9	1.3	-1.1	0.2	0.5	0.0	0.5	2.6
Ceredigion	.	.	.	1.3	-0.0	1.3	0.6	-0.3	0.3	.	.	.	1.6
Pembrokeshire	.	.	.	2.2	-0.0	2.2	0.5	-0.0	0.5	0.1	0.0	0.1	2.8
Carmarthenshire	0.1	0.0	0.1	3.2	-0.4	2.8	2.3	-0.2	2.1	0.2	0.0	0.2	5.3
Swansea	.	.	.	4.4	-0.1	4.4	2.3	-0.5	1.8	0.0	0.0	0.0	6.2
Neath Port Talbot	.	.	.	2.5	-0.0	2.5	1.0	-0.3	0.8	0.1	0.0	0.1	3.4
Bridgend	0.0	0.0	0.0	1.5	-0.2	1.3	1.7	0.0	1.7	0.7	0.0	0.7	3.7
Vale of Glamorgan	0.1	0.0	0.1	2.1	0.0	2.1	0.9	0.0	0.9	0.2	0.0	0.2	3.3
Cardiff	0.1	0.0	0.1	4.1	-0.1	4.0	0.7	-2.3	-1.7	0.5	-0.1	0.4	2.8
Rhondda Cynon Taf	0.0	0.0	0.0	4.5	-0.1	4.5	1.7	-1.1	0.7	0.6	0.0	0.6	5.8
Merthyr Tydfil	0.1	-0.0	0.1	0.8	-0.0	0.8	0.4	0.0	0.4	0.1	0.0	0.1	1.5
Caerphilly	.	.	.	2.3	-0.2	2.2	2.1	-0.1	2.1	0.5	0.0	0.5	4.7
Blaenau Gwent	.	.	.	1.4	-0.1	1.2	0.2	-0.4	-0.1	0.4	0.0	0.4	1.5
Torfaen	0.1	0.0	0.1	1.6	0.0	1.6	1.0	-0.1	1.0	0.0	0.0	0.0	2.7
Monmouthshire	.	.	.	1.2	-0.4	0.8	0.3	0.0	0.3	0.1	0.0	0.1	1.2
Newport	0.1	0.0	0.1	2.7	-0.0	2.7	1.5	-0.2	1.4	0.3	0.0	0.3	4.4
Wales	0.6	-0.0	0.6	49.2	-2.5	46.7	25.1	-8.5	16.5	5.6	-0.1	5.4	69.2

Source: Section 52 Outturn forms

. not applicable

## TECHNICAL NOTES ON RESERVES HELD BY SCHOOLS DATA

### Data sources

The main source of information about local education authority expenditure is the Section 52 outturn (S52) return required under Section 52 of the [Schools Standards and Framework Act 1998](#), provided by local education authorities.

### Definitions

**Reserves** are sums of money that schools carry forward from one year to the next. They arise from underspends and overspends against school allocations over time.

**Delegated school expenditure** is actual education spending that is purely delegated or devolved by local authorities to schools and does not include any money held centrally by the local authority and spent on behalf of schools.

### Background

Schools are responsible for managing their own finances. The level of reserves held by an individual school at any point in time will depend on a number of factors. These will include the timing of receipt of income and of payments, the level of contingency fund the school governing body considers is appropriate and the particular plans each school has for expenditure.

### Quality

Wales collect 100% of returns from all twenty-two unitary authorities. We publish a detailed [quality report](#) on Welsh Local Government Finance Statistics. We also publish details on our [users](#). We would appreciate any [feedback](#) on the content and usefulness of the quality report.

### Rounding

In tables where figures have been rounded to the nearest final digit there may be an apparent discrepancy between the sum of the constituent items and the total as shown.

### Accessing the data

Much of the data behind the charts and tables shown in this bulletin can be found on StatsWales (a free-to-use internet service that allows visitors to view, manipulate, create and download tables from the most up to date and detailed official data in Wales). Please go to [www.statswales.wales.gov.uk](http://www.statswales.wales.gov.uk) then navigate to:

Local Government   - Finance   - Revenue   - Delegated School Outturn

### Further information

Statistics on education expenditure are also published in both [England](#) and [Scotland](#).

### Feedback

We actively encourage feedback of our statistics. If you have any comments or queries, or require further information, then please contact us using the details below or fill out a [Feedback form](#).

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