

MEETING	SCHOOLS' BUDGET FORUM
DATE	17 July 2023
TITLE	Schools' Balances Financial Year 2022/23
PURPOSE	Presented for information
RECOMMENDATION	To accept the report
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1 Final Accounts 2022/23

1.1 Individual schools' balances as at 31 March 2023 is appended for your information (appendix 1).

1.2 Summary of schools' balances as at 31/03/2023 -

	percentage	31/03/2022	increase+/ reduction-	31/03/2023	percentage
Primary	24.35%	£9,125,302	-£2,551,499	£6,573,803	17.10%
Middle	14.64%	£843,785	-£22,932	£820,853	13.33%
Secondary	16.69%	£6,066,267	-£2,085,576	£3,980,691	10.39%
Special	15.35%	£661,596	-£119,916	£541,680	12.06%
Total	19.90%	£16,696,951	-£4,779,924	£11,917,027	13.63%

1.3 Where we have seen school balances increase significantly during the COVID period, we are now seeing a reduction in balances. This is due to one-off expenditure in 2022/23 and also additional employment on a temporary basis.

1.4 87 schools have balances over 5%, with 69 schools with balances over the £50,000 and £100,000 thresholds.

1.5 2 primary schools and 1 secondary school had a deficit at the end of the 2022/23 financial year.

2 Use of Balances Guidance Plan

2.1 The Education Department has the power to instruct the governing body on how to spend the element of their balances that exceeds the £50,000 threshold for Primary

Schools and £100,000 for Secondary and Special Schools. In the absence of any specific provision in the Regulations, the £100,000 threshold has also been applied to Middle Schools.

- 2.2 The implementation procedure remains the same as in previous years -
- every school with balances of over 5% or with balances above the threshold to complete a questionnaire on the proposed use of balances by 14 July 2023
 - dependent on the content of the questionnaire and a possible discussion with the school, the Education Department can direct schools on how to apply the balances by 30 September 2023
 - review that the school has applied the balances in line with the direction of the Education Department and if not to deduct the money by 31 December 2023
 - officers were given the opportunity to suggest how a school could best invest balances to improve itself
- 2.3 Appendix 1 highlights the sum of balances over the thresholds –
- 54 primary schools (varying between £100-£247,593 above £50k threshold)
 - 2 middle schools (varying between £306,904-£313,949 above £100k threshold)
 - 11 secondary schools (varying between £64,943-£601,567 above £100k threshold)
 - 2 special schools (varying between £137,513-£204,168 above £100k threshold)

3. Conclusion

- 3.1 Schools are using balances to support present pupils. Further balances are being applied as schools set 2023/24 budgets and the forecast is a further significant reduction by the end of this financial year.

4. Recommendation

- 4.1 **The Education Department and Finance Department should work closely with schools to make prudent use of the substantial balances available in 2023/24.**
- 4.2 **The Education Department and the Finance Department should continue to monitor schools' budgets.**