

## SCHOOL BUDGET RETURN 1 ANALYSIS 2013/14

As part of the requirements of the Scheme for Financing Schools, all schools have to complete a budget return by the end of May each financial year.

This return must detail how schools plan to spend any unspent balance from the previous financial year, set a Governor approved budget (providing evidence to Finance) and present a forecast year end position for the current year.

The table below identifies the unspent balance from 2011/12, 2012/13 and the forecast balances for 2013/14.

Please note the balances exclude those schools that became an academy since 2010/11, namely Torquay Grammar School for Girls, Torquay Boy's Grammar, Churston Ferrers Grammar, St Margarets Primary, Shiphay School, Hayes School, Ilsham Primary, Eden Park Primary, Ellacombe Primary, Brixham College, Barton Primary, Curledge Street Primary, Kings Ash Primary Torquay Academy and Paignton and Community and Sports College and Combe Pafford Business and Enterprise School.

<b>School Phase</b>	<b>2011/12 Unspent balance</b>	<b>2012/13 Unspent Balance</b>	<b>2013/14 Forecast Unspent Balance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Primary	1945	1,588	947
Secondary	1,267	1,297	1,087
Special	395	620	136
<b>Net Total</b>	<b>3,607</b>	<b>2,964</b>	<b>2,194</b>
Deficit Balances	382	0	0
<b>Gross Total</b>	<b>3,989</b>	<b>2,964</b>	<b>2,194</b>

Included within the 2012/13 balances is one special school that has converted to academy status from 1<sup>st</sup> April 2013. As at 31<sup>st</sup> March 2013 the school had an advance of funding of £299k to assist in the expansion of a vocational centre thus making the true unspent balance in 2012/13 for the Special phase a total of £321.

	£'000
Combe Pafford Funding Advance	299

There are currently no schools with deficit balances.

Excluding the funding advance, the overall balance position represents a significant decrease of £1m when compared to the 2011/12 unspent balances largely due to the high number of academy conversions.

Devolved Formula Capital balances have again been stripped out where funding has been drawn forward (this only affects a handful of schools that have draw down DFC funding which they have not spent).

Although there is no longer a requirement for Local Authorities to scrutinise excessive school balances, the LA is still reviewing those schools whose balances are significant as

a percentage of their revenue allocation. The 5% and 8% rules are considered as guidance levels.

The table below demonstrates for each phase the number of schools in surplus, deficit and those schools with balances in excess of the guide percentage levels as per the Scheme for Financing Schools.

<b>Primary and Special</b>		<b>Secondary</b>	
	Number		Number
In Surplus	24	In Surplus	2
In Deficit	0	In Deficit	0
Excessive Surplus > 8%	8	Excessive Surplus > 5%	2

Using the guidance level percentages the following schools have unspent balances that are greater than these percentages as a percentage of their total revenue allocation.

<b>School</b>	<b>12/13 Balance £</b>	<b>12/13 Balance %</b>	<b>11/12 Balance %</b>
White Rock Primary	171,057	11.68	9.65
Homelands Primary	83,460	8.34	6.71
Roselands Primary	83,244	8.03	6.41
Brixham C of E Primary	91,421	9.15	8.45
Upton St James	81,954	15.07	15.48
St Margaret Clitherow	69,269	12.38	6.48
St Marychurch	107,027	8.68	9.50
Collaton St Mary	95,310	12.35	10.19
Westlands	789,561	9.47	14.07
St Cuthbert Mayne	507,153	9.36	5.86

### **White Rock Primary**

The school has been asked by Torbay Council to expand in order to place additional pupils from September 2013. There have been a significant number of new building developments in the area and children from this housing will need school places in the near future - over 400 houses planned in the local area alone. The school is having to fund part of the cost itself and has therefore allocated funds for this purpose.

### **Homelands Primary**

The school are committing £29k to cover increased cost of change of teacher; additional 0.6 FTE teacher; additional Teaching Assistant to support higher than average intake with special needs in September 2014. The school are also committing £27k relating to historic PFI issues with the LA and also £8k to cover ongoing Variation revenue costs. The remainder of the surplus is to cover additional curriculum initiatives and budget inconsistencies throughout the year.

### **Roselands Primary**

The school has allocated £18k to cover additional funding for IT, Curriculum activities and expansion of the staff room, the remaining £65k is being used as an operational contingency.

### **Brixham C of E Primary**

The school has identified £17k for upgrade to ICT, £8k for SEN /1-1 support, £10k for the shelter at The Arc forest School delayed due to planning and change of use and the remaining £11k for curriculum based initiatives. The remaining £45k is uncommitted.

### **Upton St James Primary**

The school has allowed a contingency of £40k (8% as recommended) to take into account staffing issues. Devolved Formula Capital expenditure is planned for IT improvements. Improvements in premises and facilities earmarked for new flooring in reception class and public areas of the school, radiator upgrades in Yr 1/2 and Reception classes, canopies for outdoor play areas and parent shelter. Curriculum initiatives are earmarked for additional outdoor learning resources, ICT software to support numeracy and literacy and additional RE resources.

### **St Margaret Clitherow**

The school has allocated the entire surplus of £69k as an operational contingency for the following reasons

- to provide for increased staffing in the next 3 years
- to cover the anticipated overspend in 2013/14 and 2014/15.
- to cover a shortfall in statement/SEN budget.

### **St Marychurch Primary**

The school is planning a large scale capital build over the summer period 2013. Most of the funds required have been received through funding applications and devolved capital held by the Diocese, however, the school will need to contribute in the region of £25k towards this same project and this has been carried forward for this purpose. Further to this, the three year budget plan is showing a reduced carry forward with it being only 2.17% at the end of 2015/16.

### **Collaton St Mary**

The School has allocated £32k for investment in curriculum, £6k for improvements in premises, £6.5k for repairs and maintenance and the remainder of £51k is an operational contingency

### **Westlands School**

The school is retaining a significant balance to (a) undertake a programme of investment in premises improvements linked to curriculum initiatives and (b) to provide a safety net as the school deals with changes in funding and changes to the workforce. With regard to (a) in 2012-13, the school invested around £300k from reserves to make improvements and further changes are planned for the summer of 2013. The school retains ambitions to develop a major project to cover an external play area, a project that would cost up to £1 million. With regard to (b) the school is experiencing a fall in roll and recovery is not expected for a few years. The retention of balances gives the school the option to set a deficit budget if governors decide that this is more desirable than, say, making staff redundant. It is expected that the financial settlements over the next few years will be difficult and post 16 transitional funding will end in July 2014.

### **St Cuthbert Mayne**

The surplus is held to support the budget in years 1&2 as the school is subject to a falling roll. Operational contingency to support 13/14 & 14/15 budgets £383,138, Pupil Premium

to support disadvantaged students £81,520, 16-19 Bursary to support disadvantaged students £9,137 and Various other grants/initiatives to support curriculum 23,358

### **2013/14 Forecast Balances**

The school forecast balances at the end of 2013/14 are considerably lower than those actual balances at the end of 2012/13. Whilst this seems a significant drop in the balances the 2012/13 academy convertors are now excluded and several of the forecast balances look unrealistic given the balances as at 31<sup>st</sup> March 2013.

Schools are inherently pessimistic when forecasting and this information is less reliable. This makes it difficult for the LA to forecast where there are pressures and take appropriate action with the schools.

The forecast balance for 2013/14 shows a £770k decrease when compared to the 2012/13 confirmed balances

Amanda Haley  
Principal Accountant – Schools  
01803 208284