

WIRRAL COUNCIL

WIRRAL SCHOOLS FORUM 6th JULY 2016

REPORT OF THE DIRECTOR OF CHILDREN'S SERVICES

Delegated School Balances as at 31st March 2016 Indicative Balances for 2016-17 and 2017-18

EXECUTIVE SUMMARY

This report advises the Forum of the level of school balances as at 31st March 2016, together with an indication of balances for the financial years 2016-17 and 2017-18.

1. School Balances

School balances at 31st March 2016 are £11.7m. This represents an increase of £1.2m.

	2014/15 Balances	2015/16 Balances	Movement	Change
Nursery	£676,607	£604,737	£71,870	Reduction
Primary	£6,268,671	£7,410,417	£1,141,746	Increase
Secondary	£2,208,899	£1,606,472	-£602,427	Reduction
Special	£1,570,256	£2,116,885	£546,629	Increase
Total	£10,724,433	£11,738,511	£1,157,818	

The average school balance for a primary has increased to £84,209 compared to £71,235 in 2014-15. Secondary schools' average balance has reduced from £368,150 to £267,745. There were no academy conversions in the 2015-16 financial year.

The actual balances as at 31st March 2016 have improved since the last report from an estimated £9.6m (period 9) to £11.7m at year end. Headteachers and governing bodies have worked hard, with the support of LMS and HR to reduce deficits and their spend plans in year.

2. Deficit Budgets

There were 12 primary schools with a deficit balance as at 31st March 2016, 4 of which were licenced. 2 secondary schools had a deficit at the end of the year, of which one was licenced. The average deficit is £41,362. There have been no additional requests in 2016-17 to date.

3. Monitoring School Balances 2016-17 and 2017-18

Schools must set their budgets by 30th June. 55 out of 109 budgets have been finalised at the point of writing this report. So far, from budgets returned this indicates that at the end of March 2017 balances will be £3.8m, reducing to £1.7m in

March 2018. There are 21 schools with provisional deficits in 2017-18 (40% of those returned).

There are continuing difficulties for schools over the medium term. Whilst the current year position has improved compared to 12 months ago, the latest position for 2017-18 indicates that this may be short term.

4. Workforce Reductions

To ensure school budgets continue to be robust going forward there have been 16 schools that have made decisions to reduce staffing levels through redundancy measures. There have been 7 full time and 9 part time teachers and 17 full time and 63 part time support staff affected by this.

5. Future Actions

The position will continue to be monitored and reported to schools forum regularly.

Work will:-

- Examine schools financial plans to ensure they are sustainable.
- Discuss with schools plans to deal with projected deficits.
- Schools requesting a licenced deficit will be required to demonstrate how the budget will come back into balance within 3 years.
- Where agreement cannot be reached a notice of concern may be issued, which will require an immediate action plan agreed by governors.

RECOMMENDATIONS

1. That the Forum notes the report.
2. That schools balances continue to be monitored.

Julia Hassall
Director of Children's Services