

SCHOOLS' FUNDING FORUM

SUBJECT:	2013-14 Schools Outturn
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SUMMARY OF REPORT:

To provide members of the Forum with an update on the 2013-14 schools outturn position and to highlight an imminent review of the operation of the Balance Control Mechanism.

FOR:	Information only
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1. Background

- 1.1 Attached at appendix 1 is an analysis of the 2013-14 outturn position for all maintained schools (including Pupil Referral Units) as at 31 March 2014. The analysis is in a consistent presentation style to previous years and provides a comparison to the 2012-13 outturn position.

2. The headlines

- 2.1 Overall schools revenue reserves have reduced by £21k, however this headline does not tell the full story. The number of maintained schools has reduced by 28 (or 6%) and the number of pupils has reduced by 13,440 (or 10%) for academy conversion and other closures. This means that for a like for like comparison, our total school reserves have increased by £2.3m. £1.6m of this increase relates to PRU's, meaning the remaining increase of £0.7m applies to schools.
- 2.2 The average revenue reserves per school have increased by £5,260 (or 6.4%) and the average revenue reserve per pupil has increased by £31 (or 11%).
- 2.3 The reserves per school for primary, secondary and special schools have increased slightly on last year's levels. With regards to special schools reserves have increased overall by approximately £400k, with a modest increase per school of approximately by £17k. The number of maintained special schools remains at 23 however the number of pupils has increased by approximately 300 (or 10%). This will come as no surprise to Forum members and is in line with the discussions we have had over funded places.

- 2.4 The number of deficits in the primary sector has increased from 4 to 11, and the value of the average deficit per school in special schools has increased significantly from £30k to nearly £680k. A separate paper focusing on the detail behind each deficit will follow this paper.
- 2.5 This is the first year that Pupil Referral Unit reserves have been included within this presentation. Although the average reserves per PRU look initially high, please remember that these units have only had a delegated budget for 7 months of the year and there are a number of transitional arrangements in place. It is too early to draw any conclusions from these figures and ideally we recommend a review in 12 months once the 2014-15 reserves are known.

3. Balance Control Mechanism

- 3.1 Over 200 schools rolled forward balances in excess of the pure Balance Control Mechanism (BCM) levels of 8% for Primary schools and 5% for secondary schools this year. Many of these were for agreed capital projects but most of them were in respect of funding that is now considered outside the scope of BCM e.g. collaboration and sports funding. With the additional funding streams becoming more specific we are planning to review the way BCM is dealt with in the Local Authority to ensure current pupils benefit from the current budget share. We will update the Forum in due course once this review has been completed.

4. Recommendation

- 4.1 Members of the Forum are asked to
- **note** the 2013-14 schools outturn position
 - **note** the imminent review by the LA of the BCM