

SCHOOLS' FUNDING FORUM

SUBJECT:	2014-15 Schools Outturn Position for Kent maintained schools
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AUTHOR:	Simon Pleace, Revenue Finance Manager
DATE:	15 May 2015

SUMMARY OF REPORT:

To provide members of the Forum with an update on the 2014-15 schools outturn position.

FOR:	Information only
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1. Background

- 1.1 Attached at Appendix 1 is an analysis of the 2014-15 outturn position for all maintained schools (including Pupil Referral Units) as at 31 March 2015. The analysis is in a consistent presentation style to previous years and provides a comparison to the 2013-14 outturn position. New for this year is the reserves expressed as a percentage of income.
- 1.2 2014-15 is first year of the modified BCM operation. As part of the year end returns, schools were required to provide additional details of their year end balances. This information will be reviewed against their nine month monitoring returns and any unspent balance(s) will be considered for recovery (subject to DFFG process).

2. The headlines

- 2.1 Overall schools revenue reserves have increased by £2million whilst at the same time the number of maintained schools has reduced by 35.
- 2.2 The average revenue reserves per school have increased by £12,691 (or 14.46%) and the average revenue reserve per pupil has increased by £45 (or 14.25%).
- 2.3 The reserves per school for primary and special schools have increased from last year's levels by 22% and 13% respectively. The reserves per school for secondary schools have decreased by 16% from last year's levels.
- 2.4 Some good news, the overall number of schools in deficit has decreased from 16 to 6 (a reduction of 62.5%) This is primarily due to the number of deficits in the primary sector decreasing from 11 to 2. However, the bad news is that the overall value of deficits has increased from £1.79m to

£2.6m, an increase of 45%. The value of the average deficit per school in special schools has increased significantly from £677k to more than £1million. The value of the average deficit per school in the secondary sector has also increased from £63k to more than £220k. A separate paper focusing on the detail behind each deficit will follow this paper.

- 2.5 In terms of district picture, Dover, Maidstone, Swale and Tonbridge & Malling have all seen average increase in excess of 32% per school. Sevenoaks, Gravesham and Thanet have seen reductions.
- 2.6 The total value of capital reserves are now showing as a deficit of £616k, compared to a surplus of £357k at the end of 2013-14. This is because some of this expenditure (particularly in the Secondary sector) has been temporarily financed by loans. In total the value of outstanding loans in maintained schools at the end of 2014-15 was £3.4m, meaning an alternative picture to show would be that school capital balances are in surplus by £2.8m, offset by school loan outstanding balances of £3.4m.
- 2.7 This is the second year that Pupil Referral Unit reserves have been included within this presentation. The average reserves per PRU continue to appear high, and have increased from last year's levels for both capital and revenue. Most PRUs have recorded a modest increase in their reserves; however four PRUs have increased their revenue reserve by more than 100%.

3. Recommendation

- 3.1 Members of the Forum are asked to
 - **note & comment** on the 2014-15 schools outturn position