

## SCHOOLS' FUNDING FORUM

<b>SUBJECT:</b>	2017-18 Schools' Outturn Position for Kent maintained schools
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### **SUMMARY OF REPORT:**

To provide members of the Forum with an update on the 2017-18 schools outturn position.

<b>FOR:</b>	Information only
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### **1. Background**

- 1.1 Attached at Appendix 1 is an analysis of the 2017-18 outturn position for all maintained schools (including Pupil Referral Units) as at 31 March 2018. The analysis is in a consistent presentation style to previous years and provides a comparison to the 2016-17 outturn position.
- 1.2 The 2017-18 financial year is the third year of the modified Balance Control Mechanism (BCM) operation. As part of the year end returns, schools were required to provide additional details of their year end balances. In total 75 schools, including all the Pupil Referral Units, requested to exceed their BCM allowance. 28 schools who have requested to exceed the BCM by £40k or more have been written to for further evidence. These requests will be analysed and compared to our BCM policy. The other 47 schools over their BCM have been informed they can carry forward the balances for the purposes stated.

### **2. The headlines**

- 2.1 The total revenue reserves for Primary Schools, Secondary Schools and Special Schools have increased by £1,570,986. The reserves have gone up and the number of LA schools has decreased. It should be noted that the schools in deficit balance in 16-17 has reduced by £2,095,476, from £4,359,767 to £2,264,291. Reserves (where schools have a positive balance) as a % of income in 2016-17 was 5.26% compared to 5.38% in 2017-18, this measure excludes deficit schools and shows a more stable trend in school balances.
- 2.2 Revenue reserves per pupil has increased by 5.9%, a significant influencing factor in this is the reduction of £2,095,476 in the overall schools in deficit balance.

- 2.3 The revenue reserves per school have increased by 11.26% over the year, again the reduction in the balance of schools with deficit balances is an influencing factor. Excluding deficit schools, the increase per school reserve is 3.2%. This is a 0.1% (5.26% 2016-17, 5.38% 2017-18) increase in reserves as a % of total income.
- 2.4 In the secondary phase the revenue reserves per school have increased by 3,026% and revenue reserves per pupil have increased by 2,883%. The reason for the high percentage is due to a significant deficit at one school that has now closed. Overall secondary school reserves were in deficit by £61,281 in 2016-17 and now have a surplus balance £1,649,905.
- 2.5 In the primary phase the revenue reserves per school have increased by 2.61% and revenue reserves per pupil have increased by 2.53%.
- 2.6 In special schools, revenue reserves per school have increased by 6.23% and revenue reserves per pupil have decreased by 0.87%
- 2.7 Capital reserves at primary schools have increased by 22.58% (£256,854), capital reserves at special schools have increased by 493% (£386,480) and secondary school capital reserves have decreased by 210% (£1,305,534). The overall position on capital reserves is a deficit of £67,821. It is important to note that the full value of outstanding balances on loans are included in the overall total
- 2.8 The revenue reserves held by PRUs have decreased by 16.67% and the capital reserves held by PRUs have decreased by 13.31%.

### **3. Recommendation**

- 3.1 Members of the Forum are asked to NOTE and COMMENT on the 2017-18 schools' outturn position