

Luton Schools Forum
Wednesday 18 September 5.00pm at
The Leagrave Centre
Maintained School Balances
as at 31st March 2019

Presenting Officer	Rustum Setna rustum.setna@luton.gov.uk 01582 546089
Reason for submission to Forum	Item for information
Voting	N/A
Executive Summary	To advise Schools Forum on the position of maintained school balances as at 31 March 2019
Recommendations	Forum to note and comment on the level of school balances
Appendices	Appendix A
Background Papers	None

Background

1. The budgets of schools are directly managed by schools themselves and any surpluses and deficits are carried forward from one year to the next. Responsibility for budget management lies with school governing bodies, except where the Council has withdrawn delegation (not currently applicable in Luton).
2. This report relates to maintained school balances only; the accounting year for Academies runs from September to August and they are required to report directly to the Education Funding Agency and produce audited accounts in line with the Statement of Recommended Practice for Charities and The Companies Act.
3. This report follows up the report in July 2019. It was hoped that there would be a three year Spending Review before this meeting but the Secretary of State for Education has not yet given sufficient information to schools to allow them to build up realistic three year budgets.

Report

4. The table below shows maintained schools' balances in Luton for the period from 2017-18 to 2018-19.

Financial Year	Revenue Balances	Capital Balances	Total Balances
2017-18	£16.364m	£2.300m	£18.664m
2018-19	£17.038m	£3.030m	£20.068m

5. 2018-19 balances by phase are as follows:

Phase	Revenue Balance As at 31 st March 2019	2018-2019 Individual Schools Budget	Balance as % of ISB
Nursery	£1,388,405	£4,708,245	29.5%
Primary	£10,766,842	£79,158,223	13.6%
Secondary	£4,177,947	£25,041,774	16.7%
Special and PRU	£705,131	£6,176,700	11.4%
Total	£17,038,325	£115,084,942	14.8%

6. The appendix to this report shows the balances that schools had at the 31st March 2019 and allows comparison to previous years. It also shows schools forecasts for the 31st March 2020.
7. As a comparison, balances have been taken from the published accounts of two multi academy trusts and three academies.

Proposal

8. For Schools Forum to note and comment on the content of the report.