



Haringey Council

The Children and Young People's Service

Report to Haringey Schools Forum – 1 July 2010

**Agenda Item
7**

Report Status

For information/note
For consultation & views
For decision

Report Title: School Outturn and Balances 2009-10

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Purpose

- (i) To advise the Schools Forum of schools' net expenditure in the 2009/10 financial year, the net balances carried forward and the clawback of surplus balances.
- (ii) To obtain the Forum's view on the use of the balance 'clawed' back.
- (iii) To request the appointment of a panel of the Forum to allocate the contingency for schools in financial difficulty.

Recommendations

- (a) The 2009-10 outturn position is noted.
- (b) The position on Schools' Balances at March 2010 is noted.
- (c) The sums to be removed under the balance clawback arrangements are noted and members consider how they wish to apply the balance recovered.
- (d) That a panel of members is appointed to agree allocations from the contingency.

1. Background.

- 1.1. Unspent resources allocated to Schools through the Individual Schools Budget (ISB) remain available to those schools to use strategically in future years subject to the provisions for balance clawback in Haringey's Scheme for Financing Schools.
- 1.2. Following closure of the 2009-10 accounts the position on the DSB is as set out in the table below:

Table 1 – Outturn Position 2009-10

£000	2009-10 Budget	2009-10 Actual	2009-10 Variance
Individual Schools Budget (ISB)	145,035	147,243	-2,208

2. School Balances

- 2.1. The Table below sets out the position on Schools Balances over the course of 2009-10. Further detail on a school by school basis is attached as Appendix 1.

Table 2 – School Balance analysis at March 2009

£000	March 2009	March 2010	Change	Change %
Primary	3,378	1,908	-1,470	-43.5
Secondary	3,069	2,459	-610	-19.9
Special	93	67	-26	-28.0
Nursery	124	84	-40	-32.3
Contingency	-49	-111	-62	-125.9
Total	6,615	4,407	-2,208	-33.4

- 2.2. This shows a substantial reduction in the level of balances in schools. However, within this overall picture there remain a number of schools in deficit and a number with 'high' balances. The table below shows the distribution of schools balances across bandings.

Table 3 – School Balance distribution at March 2009

	Deficit			Surplus		
	>10	5-9.9 %	0 – 4.9%	0 – 4.9%	5 % - 9.9%	> 10%
Primary	5	2	8	25	18	4
Secondary	1	0	1	7	1	1
Special	0	0	1	3	0	0
Nursery	0	0	0	1	2	0

3. Balance Clawback

- 3.1. The Haringey Scheme for Financing Schools has provision for the clawback of excessive school balances. Determination of excessive balances makes reference to the following aspects:
- The amount deemed by the Audit Commission as appropriate to hold as uncommitted for each phase of school (8% for Primary and Special Schools 5% for Secondary and Nursery Schools)
 - Amounts planned for and committed by governors as recorded in their minutes prior to 31 December (2009)
 - Amounts of unspent Standards Fund up to the limit advised by the LA.
 - Contractually committed amounts not qualifying as year end accruals as advised by the LA.
 - Monies held on behalf of others where the amount can be clearly defined and disaggregated as advised by the LA.
- 3.2. Following the submission of schools of their end of year financial information, including the evidence to support the existence of balances, the LA has established that a sum of £42,942 is liable to be clawed back from two schools under these arrangements. In addition, queries have been raised with 3 schools seeking further clarification on some of the commitments agreed by governors.
- 3.3. The Forum can decide how the surplus balance is to be used, subject to it being applied to the Schools Budget. This can include a contribution to combined services. Last year, the Forum applied the clawback to the contingency for schools in financial difficulty but an alternative is to use the funds released to provide one-off funding for projects supporting Haringey children. This is especially pertinent in the current financial climate when scope for support from other local authority funds is being reduced; further information on recent financial developments will be available at the meeting. One request for support has been received and is summarised in section 3.5. Members are asked to consider how they wish to proceed.
- 3.4. William C Harvey (WCH) Special School has worked with Families Addressing Behaviour through Learning and Enjoying (FABLE), an organisation that offers early intervention and support to families of children with learning, sensory or health impairment. Grant funding through the NLC has now ended following recent government cuts and the Headteacher at WCH is seeking funds to enable the programme to continue, annual costs are £83K.
- 3.5. Recommendations, that:**
- (a) the 2009/10 outturn position is noted.**
 - (b) the position on schools' balances at March 2010 is noted.**
 - (c) the sums to be removed under the balance clawback arrangements are noted and members consider how they wish to apply the balance recovered.**

4. Contingency for Schools in Financial Difficulty.

- 4.1. Forum on 5th May 2009 agreed that schools would be invited to apply for resources from this budget at an earlier stage; before the end of the summer term. In accordance with that resolution and reflecting the request to give schools additional guidance, all schools will be written to and asked to make submissions by the end of this term.
- 4.2. In previous years the Forum has appointed a panel of members to agree the allocation of the contingency.
- 4.3. **Recommendations,**
(d) that a panel of members is appointed to agree allocations from the contingency.