
Deficit Schools

Report being considered by: Schools Forum on 8th March 2021
Report Author: Melanie Ellis
Item for: Information **By:** All Maintained Schools Representatives

1. Purpose of the Report

1.1 This report provides details of:

- (1) The five schools which submitted deficit budgets for 2020/21
- (2) The two schools which ended the 2019/20 financial year with unlicensed deficit balances
- (3) Deficit recovery progress statements from the schools in 1 and 2 above
- (4) Summaries of schools that have informed West Berkshire Council they now expect to end the 2020/21 financial year with an unlicensed deficit balance.

2. Recommendation

2.1 That the report be noted.

Will the recommendation require the matter to be referred to the Council or the Executive for final determination?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
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3. Deficit Schools

- 3.1 Five schools submitted a WBC Deficit Budget License Application for the financial year 2020/21. Two of the five had licensed deficits in the financial year 2019/20.
- 3.2 All five schools submitted their Period Nine Budget Monitoring and Forecast report, which have been reviewed by Schools Accountancy and feedback emailed to each school. The Period Nine / Ten submissions are shown in the table below with two schools forecasting to come out of deficit
- 3.3 Any of the five deficit schools that end the year in a deficit position will be required to submit revised deficit recovery plans and will be monitored throughout the next financial year.

Deficit Schools

School	Main School Budget (MSB)			Out of Hours Clubs (OoHC)			Combined
	2020/21 Original Budget Year-end balance	2020/21 P9 Forecast Year-end balance *P10 (not reviewed)	Variance	2020/21 Original Budget Year-end balance	2020/21 P9 Forecast Year-end balance *P10 (not reviewed)	Variance	2020/21 P9/*P10 Total Forecast Year-end balance
	A £	B £	B-A = C £	A £	B £	B-A = C £	£
Beenham Primary	109	(6,065)	(6,174)	224	(3,320)	(3,544)	(9,385)
Bradfield Primary	(8,352)	1,984	10,336	N/A	N/A	N/A	1,984
Hampstead Norreys & The Ilsleys Federation *	(18,845)	6,687	25,532	(650)	(4,019)	(3,369)	2,668
Mrs Blands Nursery & Infant	(36,808)	(47,573)	(10,765)	0	7,109	7,109	(40,464)
St Finians Primary *	(34,319)	(35,240)	(921)	#	(910)	-	(36,150)
Figures in red brackets indicate a deficit							
# Not submitted							

3.4 Each of the five schools have submitted deficit recovery progress statements including whether or not the school's current forecast for 2020/21 is in line with the budget set and, the reasons and value of significant variances.

4. Schools ending 2019/20 with an unlicensed deficit

4.1 Two schools ended the financial year 2019/20 with unlicensed deficits.

4.2 Both schools submitted their Period Nine Budget Monitoring and Forecast report, which have been reviewed by Schools Accountancy and feedback emailed to both schools. The Period Nine submissions are shown in the table below with both schools forecasting to end 2020/21 in a better financial position than budgeted.

Schools	2020/21 Original Budget Year-end balance	2020/21 P9 Forecast Year-end balance	Variance
	A £	B £	B-A = C £
Bucklebury Primary	Main School Budget (MSB) Only		
	100	4,402	4,302
Compton Primary	Main School Budget, Pupil Premium and PE & Sport Premium Grants		
	6,130	20,473	14,343

Figures in red brackets indicate a deficit

4.3 Both schools have submitted deficit recovery progress statements including whether or not the school's current forecast for 2020/21 is in line with the budget set and, the reasons and value of significant variances.

5. Schools that expect to end 2020/21 with an unlicensed deficit balance

5.1 At the end of Period Nine six primary schools have informed West Berkshire Council they now expect to end the financial year 2020/21 with an unplanned deficit on their Main School Budget Total forecast value £94,002.

Deficit Schools

- 5.2 Seventeen primary schools expect to end the year with unplanned year end deficits on their Out of Hours Clubs. Total forecast value £170,589.
- 5.3 At the end of the financial year the deficits on Out of Hours Clubs will be transferred to the Main School Budget. Based on the Period Nine/Ten figures forecast figures submitted by all primary schools once the transfer is completed eleven schools will end the 2020/21 financial year in deficit, the total value of which is forecast to be £224,331.
- 5.4 At the end of Period Nine, the forecasts submitted to West Berkshire Council by secondary (2 of the 3 reported), special, pupil referral unit and nursery (1 of the 2 reported) schools all showed year end surpluses.

6. Budget Monitoring and Forecast Submission Dates

- 6.1 Submission deadlines for the remainder of the 2020/21 financial year are shown below for licensed deficit schools 2020/21 and those that ended 2019/20 with an unlicensed deficit.

Period covered by Agresso Report	Budget Monitoring	Bank Statement, FMS Reconciliation & Historical Unreconciled Bank Transactions reports	Forecast	FMS Outstanding Purchase Order report	Submission Deadline (midnight)
Period 11 / February	Yes	Yes	Yes	No	12/03/2021