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# Deficit Schools

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**Report being considered by:** Schools Forum  
**On:** 9<sup>th</sup> December 2019  
**Report Author:** Melanie Ellis/Sarah Reynard  
**Item for:** Information **By:** All Maintained Schools Representatives

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## 1. Purpose of the Report

- 1.1 This report provides details of the four schools which have submitted deficit budgets for 2019/20, the two schools which ended the 2018/19 financial year with unlicensed deficit balances and a summary of the schools that submitted deficit forecasts for 2020/21.

## 2. Recommendation

- 2.1 That the report be noted.

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

- 3.1 Four schools submitted a WBC Deficit Budget License Application for the financial year 2019/20. All four had licensed deficits in the financial year 2018/19.
- 3.2 All four schools submitted their period six Budget Monitoring and Forecast report, which have been reviewed by Schools Accountancy and feedback emailed to each school. The period six submissions are shown in the table below with three schools a better financial position and one in a worse position than budgeted.

School	Main School Budget (MSB) Only		
	2019/20 Budgeted Year-end balance	2019/20 P6 Forecast Year-end balance	Variance
	A £	B £	A-B = C £
Beenham Primary	(24,060)	(21,176)	(2,884)
St Finians Primary	(77,150)	(52,314)	(24,836)
Westwood Farm Inf & Jnr	(13,940)	4,758	(18,598)
The Willink Secondary	(2,210)	(8,905)	6,695

Figures in red brackets indicate a deficit

#### 4. Schools ending 2018/19 with an unlicensed deficit

- 4.1 Two schools ended the financial year 2018/19 with unlicensed deficits.
- 4.2 Both schools submitted their period six Budget Monitoring and Forecast report, which have been reviewed by Schools Accountancy and feedback emailed to each school. The period six submissions are shown in the table below with both schools forecasting to end 2019/20 in a worse financial position than budgeted.

School	Main School Budget (MSB) Only		
	2019/20 Budget – Year-end balance	2019/20 P6 Forecast - Year-end balance	Variance
	A £	B £	A-B = C £
Stockcross Primary	1,525	649	876
Welford & Wickham	3,440	(5,066)	8,506

Figures in red brackets indicate a deficit

#### 5. Summary of schools that submitted deficit forecasts for 2020/21

- 5.1 Annually all schools are required to submit a budget and a two year forecast. The table below shows a summary of the 2019/20 submissions.

Submission 2019/20	2019/20 Budget	2020/21 Forecast	2021/22 Forecast
Total Number of Deficits	4	40	46
Total Number of Surpluses	58	23	17
Total Number of Nil Balances	1	0	0

- 5.2 Historically schools do not spend a significant amount of time on the two years of forecast (2020/21 and 2021/22) as the funding information available is not robust, the time available to the schools to work on the forecasts is limited and it has been noted that some schools are no longer preparing three year School Development Plans to support three year budget and forecasting. As a result when the first year of the forecast becomes the budget the number of deficits has previously dropped significantly.

#### 6. Budget Monitoring and Forecast Submission Dates

- 6.1 The submission deadline for P7 has been amended from 15 November 2019 to 29 November 2019 to accommodate the School Workforce Census, submission to payroll of teachers' pay increases and the need to update the SIMs personnel software with the same increases.
- 6.2 As the period seven Budget Monitoring and Forecast report will be submitted so late the period eight submission has been amended to optional.

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- 6.3 Submission Deadlines are shown below for licensed deficit schools 2019/20 and those that ended 2018/19 with an unlicensed deficit.

<b>Agresso Report</b>	<b>Budget Monitoring</b>	<b>Forecast</b>	<b>Submission Deadline</b>
Period 3 / June	Yes	No	12/07/19
Period 6 / September	Yes	Yes	15/10/19
Period 7 / October	Yes	Yes	29/11/19
Period 8 / November	You may submit by 13/12/19 if you wish		
Period 9 / December	Yes	Yes	17/01/20
Period 10 / January	Yes	Yes	14/02/20
Period 11 / February	Yes	Yes	13/03/20