

MEETING	SCHOOLS' BUDGET FORUM
DATE	28 June 2021
TITLE	Schools' Balances Financial Year 2020/21
PURPOSE	Presented for information
RECOMMENDATION	To accept the report
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1 Final Accounts 2020/21

- 1.1 Individual schools' balances as at 31 March 2021 is appended for your information (appendix 1).
- 1.2 Summary of schools' balances as at 31/03/2021 -

	percentage	31/03/2020	increase+/ reduction-	31/03/2021	percentage
Primary	7.09%	£2,469,193	+£3,377,997	£5,847,190	15.91%
Middle	9.20%	£398,894	+£257,234	£656,128	11.54%
Secondary	4.39%	£1,428,561	+£2,420,162	£3,848,723	11.09%
Special	0.91%	£36,343	+£364,879	£401,222	9.52%
Total	5.72%	£4,332,991	+£6,420,272	£10,753,263	13.22%

- 1.3 2020/21 has been an exceptional year given COVID-19. During the summer term and again in January/February the schools were only open to vulnerable pupils and children of key workers.
- 1.4 Welsh Government grants were received in 2020/21 with the purpose of releasing resources for schools in 2021/22 and this has contributed towards the increase. The increase in Gwynedd schools' balances is not exclusive.
- 1.5 No school was in deficit at the end of the financial year in comparison with 5 schools at the end of 2019/20 with a total deficit of -£136,608.
- 1.6 The total balances over 5% has increased from £2,048,358 (60 schools) at 31/03/2020 to £6,738,553 (94 out of 96 schools) at 31/03/2021. Two schools do not have balances greater than 5%.

2 Use of Balances Guidance Plan

- 2.1 The Education Department has the power to instruct the governing body on how to spend the element of their balances that exceeds the £50,000 threshold for Primary Schools and £100,000 for Secondary and Special Schools. In the absence of any specific provision in the Regulations, the £100,000 threshold has also been applied to Middle Schools.
- 2.2 The implementation procedure remains the same as in previous years -
- every school with balances of over 5% or with balances above the threshold to complete a questionnaire on the proposed use of balances by 25 June 2021
 - dependent on the content of the questionnaire and a possible discussion with the school, the Education Department can direct schools on how to apply the balances by 30 September 2021
 - review that the school has applied the balances in line with the direction of the Education Department and if not to deduct the money by 31 December 2021
 - officers were given the opportunity to suggest how a school could best invest balances to improve itself
- 2.3 Appendix 1 highlights the sum of balances over the thresholds –
- 47 primary schools (varying between £241-£176,957 above £50k threshold)
 - 2 middle schools (varying between £98,978-£357,150 above £100k threshold)
 - 12 secondary schools (varying between £63,055-£548,636 above £100k threshold)
 - 2 special schools (varying between £91,726-£109,496 above £100k threshold)

3. Conclusion

- 3.1 The Welsh Governments' statistical release on schools' balances as at 31 March 2021 has not yet been published, but other authorities are also reporting an increase in school balances this year.

4. Recommendation

- 4.1 **The Education Department and Finance Department should work closely with schools to make prudent use of the substantial balances available in 2021/22.**
- 4.2 **The Education Department and the Finance Department should continue to monitor schools' budgets.**