

## **School Balances Update**

### **Key Messages**

Forum members are asked to:

- Note the update below regarding surplus/deficit school balances as at the year-end 2023/24.

### **1. Introduction/background**

- 1.1. The purpose of this paper is to provide an update on the latest maintained school deficit/surplus balances position.
- 1.2. Based on the latest financial returns, overall, schools are reporting a total deficit of £5.9m at the year-end, and £12.4m of surplus.

### **2. Deficit Balances 2023/24**

- 2.1. 12 schools ended 2023/24 with a deficit balance which totalled £5.9m. Ten of these schools were already part of the deficit process for 2023/24 and will continue as part of the process in 2024/25.
- 2.2. Steps are being taken with all schools in deficit to monitor and manage the situation including requesting and reviewing recovery plans, and discussion is underway with elected members to make remedial recommendations where appropriate.

### **3. Schools in Financial Difficulties Grant**

- 3.1. Towards the end of the financial year, we received a one-off Additional Support for Schools in Financial Difficulties grant of £517k to be distributed in line with requests from the local deficit recovery support plans.
- 3.2. Heritage Park and Holgate Meadows were identified as facing the highest budget deficits and this one-off grant was allocated to reduce the deficit at Holgate Meadows.
- 3.3. In addition, a further £60k of funding was shared equally - £10,000 each – between six primary schools.

## **4. Surplus Balances 2023/24**

4.1. There are now only two schools that are over the permitted threshold for surplus balances, and both have provided detailed spending plans.

## **5. Recommendations**

Forum members are asked to:

- Note the summary surplus/deficit balances position and that steps are being taken to monitor this.