**Paper 7 - for information**

# Maintained Schools Balances at March 2020

| Key Message: Forum Members are asked to:   * Note the position on maintained school balances at 31 March 2020 |
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## Introduction / background

* 1. Following the completion of the 2019/20 year end position, this report provides an update of the school balances position.

## Position at 31 March 2020

* 1. The following table shows a summary of the school balances over the past five years:

| **2015/16** | **2016/17** | **2017/18** | **2018/19** | **2019/20** |
| --- | --- | --- | --- | --- |
| £12,338,597 | £10,844,437 | £7,912,120 | £7,072,888 | £10,608,847 |

* 1. School balances have reduced by £2.5m over the past five years. The main reason for this reduction is maintained schools becoming academies, in the majority of cases this means that the surplus balance is transferred to the new academy trust. £2.6m of balances have been transferred to academies over the past five years.
  2. There are 13 schools with a deficit balance at March 2020, totalling £1.78m. The Deficit Steering Group, with representatives from Strategy and Commissioning, Education and Skills, Finance and Commercial Services and Human Resources meets on a regular basis to review these schools and to ensure that they have a robust recovery plan to bring the school back into a break even position.
  3. The remaining 66 schools have a surplus balance totalling £12.4m.
  4. School balances have increased from 2018/19 to 2019/20; there are a number of reasons for this increase including: the schools in deficit have started to recover and have repaid £1m to balances, additional government funding to schools has meant that some schools have been able to replace some of the reserves funding that they have had to use in previous years.

## Sheffield Scheme for Financing Schools

* 1. The Sheffield Scheme for Financing Schools states that the total agreed deficits should not normally exceed 40% of schools’ collective balances. At 31 March 2020, the total amount of agreed deficit balances was 17% of the total balance - within the agreed limit of the scheme.

## Recommendations

* 1. Forum Members are asked to note:
* The position on maintained school balances at 31 March 2020.