

**Agenda item no 10**

**Schools Forum 8 July 2008**

**Report of the Director of Children's Services**

**Audit Commission School Balances Toolkit**

**Purpose of Report**

1. To advise the Schools Forum on the Audit Commission School Balances Toolkit data for the period 2004 to 2007.

**Budget Working Group Discussed**

2. No

**Schools Forum Action**

3. To note the issue of the data from the Audit Commission.

**Attachments**

4. Appendix A – Extract from School Balances Toolkit – Outturn 2004/05, 2005/06 & 2006/07.

Sue Coates

Senior Principal Accountant

23 June 2008

**Schools Forum 8 July 2008**

**Report of the Director of Children's Services**

**Audit Commission School Balances Toolkit**

**Purpose of Report**

1. To advise the Schools Forum on the Audit Commission School Balances Toolkit data for the period 2004 to 2007.

**Background**

2. In March 2005 the Audit Commission launched their school balances toolkit to support each councils' work in managing school balances. This builds on initial work undertaken as part of their 2004 Education Funding report.
3. The data covers all 150 LEAs in England and is intended to provide councils and auditors with key information about how effectively school balances are being managed, what are the trends, and the distribution of surpluses and deficits.
4. The information, which is contained in the toolkit, shows the position for each council in the Country and confirms a picture that overall net balances have in fact risen from £1.537 billion in 2006 to £1.618 billion by the end of March 2007. The detail of this is presented within the toolkit.
5. The risk assessment tool presents overall school balances, by Local Authorities (LA), at 31<sup>st</sup> March 2005, 31<sup>st</sup> March 2006 and 31<sup>st</sup> March 2007, by sector (primary, secondary, special). This toolkit can be used by the Authority to help with self evaluation and benchmarking against education statistical neighbours, similar authorities, and regional and national comparators.
6. An extract from the School Balances Toolkit – Outturn 2004/05, 2005/06 & 2006/07 is attached at Appendix A.
7. The toolkit is available on the Audit Commission website for download at <http://www.audit-commission.gov.uk/schoolbalances/downloads/schoolbalances-tool.xls>

## **Finance**

8. The funding of schools is prescribed by the DCSF through the School Finance (England) Regulations 2008.
9. Schools Forums are regulated by the School Forums Regulations 2002 as already amended by the Schools Forums (Amendment) Regulations 2004 the Schools Forums (Amendment) 2005 Regulations and the Schools Forums (England) (Amendment) Regulations 2008.
10. From 1<sup>st</sup> April 2006, the Schools Budget has been funded by a direct DCSF grant: Dedicated School Grant (DSG)

## **Law**

11. Councils' LMS Schemes are made under Section 48 of the School Standards and Framework Act 1998. The Education Acts 1996 and 2002 also have provisions relating to school funding.

## **Equality Impact**

12. The Council's Equal Opportunities Policy is taken into account when considering the allocation of resources.

## **Recommendation**

13. It is recommended that Schools Forum note the issue of the Audit Commission data in respect of the Schools Balances toolkit for the period 2004 to 2007.



**John Freeman**

**Director of Children's Services**

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