

Scheme of delegation - Balance Control Mechanism

Surplus balances held by schools permitted under this scheme are subject to the following restrictions

The Local Authority will only agree amounts for the following purposes unless exceptional circumstances occur:

- Capital works.
- Savings made to make enhancements to new builds from the Building Schools for the Future programmes and Private Finance Initiatives.
- To cover funding shortfalls for future temporary drops in pupil numbers.
- Building up funds to dampen the effects of step increases in pupil numbers that occur in September but which are not funded until the next financial year.
- Single status.
- Holding the funds for joint schools collaboration project which run over more than one year.
- Accruals that should have taken place but it was not possible to action them in time for closing the accounts.
- Any administrative error in the accounts.

If a school has an excess balance at the start of the year, provides plans to spend the sum, but still has an excess at the end of the year, this will be automatically capped.

The total of any amounts deducted from schools' budget shares by the authority under this provision, are to be applied to the Schools Budget of the authority.

There is a right of appeal. An appeals panel of two School Forum members and the Executive Director for Children and Young People, or their representative, will sit to consider appeals against the decision of School Forum. The decision of the appeals panel will be final.

In determining the deductions above, the LA will expect to draw upon information in the School Improvement Plan, the Asset Management Plan and any other planning documents that the School Forum might agree over time. The process will be undertaken jointly between Finance and School Improvement Officers.