

Schools Forum

Thursday 30 June 2016

Item 6, Appendix A - Licensed Deficit Application 2016/17

Licensed Deficit Application Form
Part 1 - Application Summary

Schools are not permitted to set deficit budget without a license to do so from their Local Authority. This form is an application for this permission. The application is comprised of four parts-

Part 1 - A summary of the amount applied for and the length of the anticipated deficit.

Part 2 - A summary of the actions to be taken to return the school to a balanced budget position.

Part 3 - A narrative detailing the actions that are being taken to return the school to a balanced budget position including assumptions made, risks to the plan and how the balanced budget will be made sustainable.

Part 4 - A budget plan confirming the school's return to a balanced budget.

School Name

Brought Forward Revenue Balance
(excluding external funds)

Amount Of Licensed Deficit Request
(cannot be more than 10% of ISB)

Number Of Years Of Deficit
(not normally more than 3)

Signatures -

Headteacher Date

Chair Date

Please complete the above and return all four parts of the application to the Schools Finance Team

LA Authorisation

Signature Date

Position

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Part 2 - Action Plan Summary

Please provide a summary of the actions that will be taken to return the school to a balanced budget position.

More detail on these actions will be required in Part 3

Item No.	Action	Amount	CFR Heading Affected	Year Implemented
Example	Reduction In Learning Resources Budget	5,000	E19	2014/15
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

Please complete the above and return all four parts of the application to the Schools Finance Team

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Part 3 - Action Plan Narrative.
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There is no required format for Part 3; it is anticipated that most schools will choose to submit a Word document.

Please provide us with details of the actions that will be taken to return the school to a balanced budget position.

We are keen to see -

- how the savings and/or additional income will be achieved,
- how the impact on curriculum delivery will be minimised,
- the risks to the success of the plan and how these will be handled,
- the assumptions that the plan is based on and
- how the reduced expenditure and/or increased income will be sustained in the long term.

Once complete, please return all four parts of the application to the Schools Finance Team

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Part 4 - Budget Plan

Schools can use the template below for their Part 4 submission or they can use their usual budget plan format (suitably annotated).

Financial Year	20 /	20 /	20 /	20 /	Action Plan Item(s)
Teaching Staff (E01 to E02)					
Non-Teaching Staff (E03 to E07)					
Other Staff Costs (E08 to E11)					
Premises Costs (E12 to E18)					
Learning Resources (E19 to E20)					
Agency Supply (E26)					
Other (E21 to E25 and E27 to E29)					
Transfer To Capital (E30)					
Comm Focussed Ext Sch (E31 & E32)					
Total Net Expenditure	-	-	-	-	
Funding (I01 to I05)					
Other Income (I06 to I18)					
Total Funding	-	-	-	-	
In Year Budget balance	-	-	-	-	
Balances B/F		-	-	-	
Balance C/F	-	-	-	-	

Assumptions made-

Notes-

The purpose of the above is to show how the action that the school has identified as necessary to reduce the deficit will impact on the school's end of year balance. This will therefore demonstrate that the school is able to repay the licensed deficit.

Schools should aim to eradicate their deficit in the shortest practicable period. The maximum permissible period is normally 3 years.

Please identify the items from your Action Plan in the end column.

In order to be consistent with normal budget setting practice, expenditure and income should refer to all revenue sources, including external funds **but should exclude capital**.

Signed - Headteacher

Date

Signed - Chair of Governors

Date