

**SUBJECT: SCHOOL BALANCES KING HENRY VIII & DERI VIEW PRIMARY**  
**MEETING: Cllr M Groucutt.**  
**DATE TO BE CONSIDERED: 12<sup>th</sup> July 2023**  
**WARDS AFFECTED:** Cantref / Mardy / Llanelly / Croesonen / Landsdown / Park / Grofield / Pen Y Fal / Llanfoist Fawr / Govilon / Gobion Fawr / Crucorney.

## 1. PURPOSE

- 1.1 To seek approval from the Cabinet member to transfer the net surplus balances on the closure of King Henry VIII and Deri View Primary school to the new King Henry VIII 3 – 19 School.

## 2. RECOMMENDATIONS

- 2.1 It is recommended that the Cabinet Member approves the transfer of the net balance as at 31<sup>st</sup> August 2023 from King Henry VIII and Deri View Primary on their closure to the new King Henry VIII 3 – 19 School.

## 3. KEY ISSUES

- 3.1 The Fair Funding Regulations July 2018 for Monmouthshire state:

*When a school closes, any balance (whether surplus or deficit) will revert to the authority. Such balance cannot be transferred to any other school, even if that school is a successor to a closing school.*

- 3.2 School balances over the past few years have significantly increased due to the grants that have been made available from Welsh Government which are primarily used to support the recovery from Covid. These grants were given to schools to support the pupils in their school to improve standards and allow pupils to catch up.

- 3.3 The school balances for both schools are detailed below:

School	2018-19	2019-20	2020-21	2021-22	2022-23
KHS VIII	£82,797	£225,700	£197,496	£754,585	£785,179
Deri View	£80,001	£73,957	£148,109	£189,790	£26,326

- 3.4 Where the balances are highlighted red this is indicating the school is in a deficit for the year.

3.5 The current budget balances for 2023-24 are shown below:

King Henry VIII      £559,917

Deri View Primary    £24,785 (Deficit)

The net surplus balance for both school is £535,132

3.6 The pupils attending the existing two schools currently will transfer into the new school, in most cases been in the school for many years. The grants awarded to these exiting schools have been awarded based on this pupil population.

3.7 The proposal is to transfer the net balances as at 31<sup>st</sup> August 2023 for both schools to the new King Henry VIII 3 – 19 school, to support the same pupil population and allow the same support and recovery for which these grants were given.

3.8 If this is not approved the net balance will be returned to the Children and Young People Directorate, it will be then for the management team to determine their use. Should this be the case the new school will open with a predicted deficit of £525,840 which will result in immediate restructuring of the school.

3.9 The advantage of allowing the balances to transfer will enable the new school to develop a staffing structure for the future to support pupils and to use the grants as they were intended.

3.10 Welsh Government have provided a number of grants to support learner to recover from the Covid Pandemic, the main grant is Recruit / Retain / Raise standards (RRR's), but other grants include support for Post 16 Education. In total King Henry VIII received £505,257 and Deri View received £125,666 in Covid related grants.

#### **4.0 OPTIONS APPRAISAL**

The options are to:

1. Return the balances to the Children and Young People Directorate.
2. Use the net balances as at 31<sup>st</sup> August 2023 to transfer to the new school. This is the preferred option as detailed above.

#### **5. EVALUATION CRITERIA**

Please see evaluation criteria set out in **Appendix A**.

#### **6. REASONS**

- 6.1 To ensure the Welsh Government Grants are used as they were intended.
- 6.2 To allow the support of all pupils to continue.

**7. RESOURCE IMPLICATIONS**

- 7.1 The net balances as at the 31<sup>st</sup> August 2023 are forecast to be £535,132. These would transfer to the new school and would not be used by the Local Authority .

**8. WELL BEING OF FUTURE GENERATIONS IMPLICATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING & CORPORATE PARENTING)**

See attached at **Appendix A.**

**9. CONSULTEES**

Cabinet Members  
Directorate Management Team  
Headteachers  
Governing Body of both schools.

**10. BACKGROUND PAPERS**

Fair Funding Regulation 2018.  
Budget 2023-24 for both schools  
Outturn statement for both schools

**11. AUTHOR**

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