

## Formal Council Questions and Responses

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1 **Question to the Cabinet Member for Education and Skills : 2019/31 - Revenue Budget Report for Schools**

**Councillor J. Watkins asked:**

In September 2018, the Revenue Budget report stated that all but 5 of Newport schools were on course to collectively overspend by £2.1million.

In 2018/19 Newport City Council predicted that 9 schools would be in the red with a cumulative deficit of £1.6 million.

Last month, the Authority announced a £2.3 million underspend on its funding from last year's budget. Could this not have been spent paying off these school debts rather than on "reserve projects"?

Does the Cabinet Member and her cabinet colleagues put the importance of "reserve projects" before the fiscal wellbeing of education and our schools?

**Councillor Giles responded:**

For the financial year 2019/20, Newport City Council allocated a cash injection of £3.6M into the total Individual Schools Budget (ISB), taking the total ISB to £96,545M. It is the responsibility of individual Head Teachers and Governing Bodies to manage their individual school budgets and not to rely on potential underspends from central budgets that may be identified at the end of the financial year.

The Local Authority delegates funding on an equitable basis using the school funding formula agreed by the School Budget Forum. This is a consultative group consisting of Head Teachers, Governors and school Business Managers. Using a Council-wide underspend to pay off individual school debts would not adhere to an equitable budget allocation in line with the agreed schools funding formula.

In 2018/19 Newport City Council predicted that nine schools would require a licenced deficit. Thorough joint working between schools and Newport City Council finance officers reduced this to six schools by the end of the financial year.