



Reserves held by schools in Wales at 31 March 2018

17 October 2018
SFR 91/2018

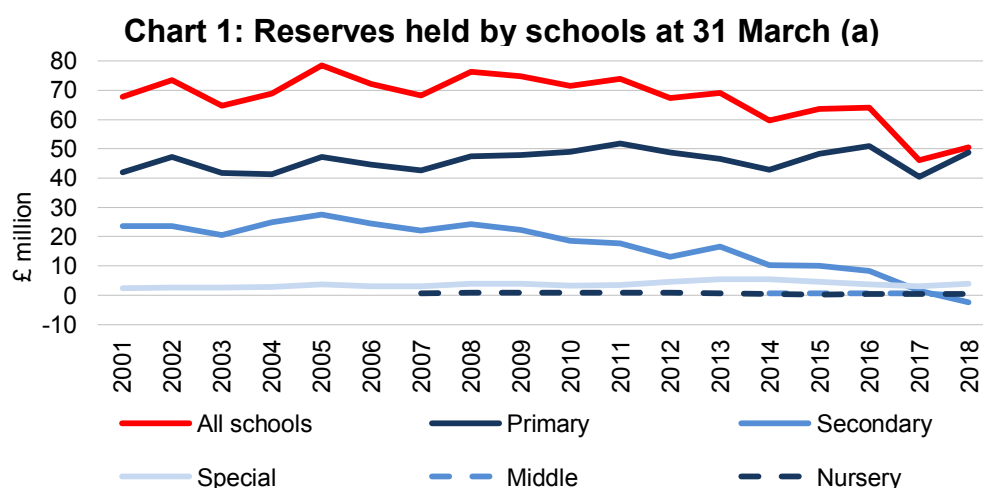
Key points

- The overall level of reserves held by schools in Wales was £50 million at 31 March 2018, the equivalent of £111 per pupil. The overall level of reserves increased by 10% compared with the previous year. Reserves in primary schools accounted for £49 million or 97% of the total reserves.
- The increase in overall reserves is driven by primary schools where reserves increased in the latest year. Reserves in secondary schools decreased, as they have done in recent years, and are now in deficit (by £2.4 million) for the first time since the series began. Together, this results in an overall increase of £4.4 million in total reserves.
- Gwynedd had the highest level of reserves per pupil at £244 while Powys had the lowest with a deficit of £49 per pupil.
- Since the economic downturn and the introduction of austerity measures there has been an increasing number of schools with negative or lower level of reserves and a decline in the number of schools with reserves over 10% of expenditure.
- 146 primary, 79 secondary, 8 special, 1 nursery and 7 middle schools in Wales had negative reserves totalling £25 million. The remaining 1,328 schools had positive reserves, 171 of which had reserves in excess of 10% of their total delegated expenditure.

About this release

This statistical release provides an analysis of financial reserves held by schools in Wales for the financial years 2016-17 and 2017-18. Reserves are sums of money that schools carry forward from one year to the next. They arise from underspends and overspends against school allocations over time.

Additional information showing levels of school reserves by individual school is available on StatsWales.



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Table 1 provides an analysis of the reserves position at 31 March 2018 and the delegated schools expenditure during the 2017-18 financial year. Gwynedd recorded the highest level of overall reserves per pupil (£244) while Powys recorded the lowest level (-£49). Schools within each local authority can have positive or negative reserves and this is shown in more detail in tables 6 and 7.

Table 1 - Delegated schools expenditure, level of school reserves and reserves per pupil

Authority	2017-18		Level of school reserves at 31 March 2018					
	Delegated school expenditure (£ million)	Delegated school expenditure per pupil (£) (a)	Positive reserves (£ million)	Negative reserves (£ million)	Total reserves (£ million)	Positive reserves per pupil (£) (a)	Negative reserves per pupil (£) (a)	Total reserves per pupil (£) (a)
Isle of Anglesey	48.1	5,122	2.1	-0.2	1.9	225	-26	199
Gwynedd	88.8	5,400	4.3	-0.3	4.0	263	-19	244
Conwy	83.6	5,473	3.4	-0.1	3.4	225	-5	220
Denbighshire	77.8	5,167	2.1	-2.4	-0.3	137	-160	-23
Flintshire	112.0	4,961	2.9	-1.6	1.3	130	-73	57
Wrexham	94.1	5,016	2.6	-0.6	2.0	141	-34	107
Powys	87.8	5,181	3.3	-4.1	-0.8	192	-241	-49
Ceredigion	49.7	5,290	2.6	-0.6	1.9	273	-66	207
Pembrokeshire	87.0	5,168	2.3	-0.6	1.7	138	-37	101
Carmarthenshire	132.3	4,919	3.6	-2.1	1.5	134	-77	56
Swansea	165.4	4,835	7.8	-0.7	7.1	228	-21	208
Neath Port Talbot	86.8	4,346	3.5	-0.6	2.9	174	-31	144
Bridgend	110.2	4,844	2.0	-1.7	0.4	88	-73	16
Vale of Glamorgan	104.6	4,850	2.7	-0.1	2.6	127	-5	122
Cardiff	273.3	5,214	8.9	-1.6	7.3	170	-31	140
Rhondda Cynon Taf	185.0	4,852	6.2	-2.8	3.4	162	-73	89
Merthyr Tydfil	45.7	5,218	1.8	0.0	1.8	211	0	211
Caerphilly	130.2	4,778	4.1	-2.1	2.0	152	-77	75
Blaenau Gwent	49.1	5,529	1.4	-1.1	0.3	153	-121	32
Torfaen	69.3	4,769	2.2	-0.1	2.0	150	-9	141
Monmouthshire	52.7	4,618	1.1	-1.0	0.1	100	-90	10
Newport	109.2	4,400	4.3	-0.4	3.9	171	-16	155
Wales	2,242.6	4,959	75.3	-24.9	50.4	167	-55	111
Lowest		4,346	1.1	-4.1	-0.8	88	-241	-49
Highest		5,529	8.9	0.0	7.3	273	0	244

Source: Section 52 Outturn forms

(a) Calculated using provisional data. Full-time equivalent pupil numbers are calculated from the Pupil Level Annual School Census 2018. They are based on numbers at January 2018 so will not reflect changes throughout the year.

Chart 2: Level of reserves per pupil at 31 March 2018

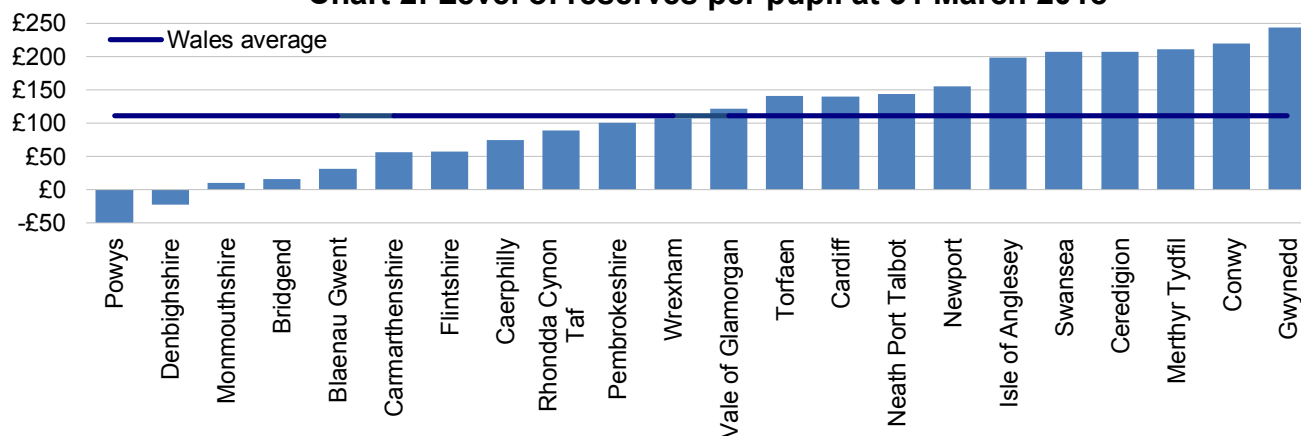


Table 2 shows the annual changes in school reserves. Compared to the previous year, the overall level of positive reserves increased by £7.8 million and the level of negative reserves decreased by £3.4 million. These figures combine to show an increase of £4.4 million in total reserves.

Table 2 - Year on year changes in school reserves

£ million

Per cent

Authority	Level of school reserves at 31 March									School reserves as a percentage of delegated school expenditure at 31 March		
	Positive			Negative			Total			Total		Percentage point change
	2017	2018	Change	2017	2018	Change	2017	2018	Change	2017	2018	
Isle of Anglesey	2.4	2.1	-0.2	-0.3	-0.2	0.0	2.1	1.9	-0.2	4.4	3.9	-0.5
Gwynedd	3.3	4.3	1.0	-0.4	-0.3	0.1	2.9	4.0	1.1	3.3	4.5	1.2
Conwy	3.3	3.4	0.2	-0.0	-0.1	-0.1	3.2	3.4	0.1	3.9	4.0	0.1
Denbighshire	1.5	2.1	0.6	-2.5	-2.4	0.1	-1.1	-0.3	0.7	-1.4	-0.4	0.9
Flintshire	2.8	2.9	0.1	-1.3	-1.6	-0.4	1.6	1.3	-0.3	1.4	1.1	-0.3
Wrexham	2.2	2.6	0.4	-0.6	-0.6	-0.1	1.6	2.0	0.4	1.8	2.1	0.3
Powys	2.9	3.3	0.3	-2.9	-4.1	-1.2	0.0	-0.8	-0.9	0.0	-0.9	-1.0
Ceredigion	2.3	2.6	0.3	-0.6	-0.6	-0.0	1.7	1.9	0.2	3.6	3.9	0.3
Pembrokeshire	1.9	2.3	0.4	-0.7	-0.6	0.1	1.2	1.7	0.5	1.4	1.9	0.6
Carmarthenshire	3.3	3.6	0.3	-1.6	-2.1	-0.5	1.7	1.5	-0.2	1.3	1.1	-0.2
Swansea	8.0	7.8	-0.2	-0.5	-0.7	-0.2	7.6	7.1	-0.5	4.7	4.3	-0.4
Neath Port Talbot	3.1	3.5	0.3	-0.4	-0.6	-0.2	2.8	2.9	0.1	3.2	3.3	0.1
Bridgend	2.1	2.0	-0.1	-1.2	-1.7	-0.4	0.9	0.4	-0.5	0.8	0.3	-0.5
Vale of Glamorgan	2.5	2.7	0.2	-0.2	-0.1	0.1	2.3	2.6	0.3	2.3	2.5	0.2
Cardiff	7.0	8.9	1.9	-2.7	-1.6	1.1	4.2	7.3	3.1	1.6	2.7	1.1
Rhondda Cynon Taf	4.9	6.2	1.3	-2.7	-2.8	-0.1	2.2	3.4	1.3	1.2	1.8	0.7
Merthyr Tydfil	1.0	1.8	0.8	-0.1	0.0	0.1	1.0	1.8	0.9	2.1	4.0	1.9
Caerphilly	3.5	4.1	0.7	-1.1	-2.1	-1.0	2.3	2.0	-0.3	1.8	1.6	-0.3
Blaenau Gwent	1.3	1.4	0.1	-0.7	-1.1	-0.4	0.6	0.3	-0.3	1.2	0.6	-0.6
Torfaen	2.2	2.2	-0.1	-0.1	-0.1	-0.0	2.1	2.0	-0.1	3.1	2.9	-0.1
Monmouthshire	1.0	1.1	0.2	-0.8	-1.0	-0.2	0.2	0.1	-0.1	0.4	0.2	-0.2
Newport	4.9	4.3	-0.6	-0.0	-0.4	-0.4	4.8	3.9	-1.0	4.3	3.5	-0.8
Wales	67.5	75.3	7.8	-21.5	-24.9	-3.4	46.0	50.4	4.4	2.1	2.2	0.2
Lowest										-1.4	-0.9	
Highest										4.7	4.5	

Source: Section 52 Outturn forms

Table 3 shows the number of schools in Wales with reserves as a percentage of delegated schools expenditure at the end of 2017-18 broken down by school sector. The table groups schools according to whether the level of reserves is negative (i.e. a deficit), under 5%, between 5% and 10%, or over 10% of their delegated school expenditure. 146 primary and 79 secondary schools had negative reserves at 31 March 2018. 154 primary and 4 secondary schools had reserves of over 10% of their expenditure.

Table 3 - Number of schools with reserves as a percentage of delegated schools expenditure

Sector	<i>number</i>				All schools
	Negative	Less than 5%	Between 5% and 10%	Over 10%	
Nursery	1	1	6	3	11
Primary	146	585	418	154	1,303
Middle	7	1	2	3	13
Secondary	79	100	18	4	201
Special	8	18	8	7	41
Total	241	705	452	171	1,569

Source: Section 52 Outturn forms

Table 4 shows the total value of reserves as a percentage of delegated schools expenditure. The total deficit for primary schools with negative reserves was £4 million and £18 million for secondary schools. Reserves in schools with over 10% of their delegated expenditure amounted to £11 million for primary and £1 million for secondary schools.

Table 4 - Level of school reserves as a percentage of delegated schools expenditure

Sector	<i>£ million</i>				All schools
	Negative	Less than 5%	Between 5% and 10%	Over 10%	
Nursery	0.0	0.0	0.1	0.3	0.4
Primary	-4.2	15.9	25.9	11.1	48.7
Middle	-1.8	0.1	0.5	1.0	-0.2
Secondary	-18.3	9.7	5.1	1.1	-2.4
Special	-0.6	1.3	1.8	1.4	3.9
Total	-24.9	27.0	33.4	14.9	50.4

Source: Section 52 Outturn forms

Table 5 and Chart 3 show the proportion of schools with reserves as a percentage of delegated schools expenditure. Secondary schools are more likely than primary schools to be in negative reserves and almost 9 out of 10 secondary schools now have reserves that are negative or less than 5 per cent of expenditure. These figures have increased in the latest year, whilst primary schools have become more likely to have reserves of over 5 per cent.

Table 5 - Proportion of schools across each sector with reserves as a percentage of delegated schools expenditure

Sector	<i>per cent</i>				<i>Change over previous year</i>			
	Negative	Less than 5%	Between 5% and 10%	Over 10%	Negative	Less than 5%	Between 5% and 10%	Over 10%
Nursery	9	9	55	27	1	-29	16	12
Primary	11	45	32	12	-4	-6	8	1
Middle	54	8	15	23	14	-22	-5	13
Secondary	39	50	9	2	4	-5	1	0
Special	20	44	20	17	-9	8	-1	2
Total	15	45	29	11	-3	-6	7	1

Source: Section 52 Outturn forms

Table 6 shows the proportion of schools whose level of reserves is negative (i.e. a deficit), under 5%, between 5% and 10%, or greater than 10% of their delegated schools expenditure. Denbighshire had the highest proportion of schools with negative reserves (38%), whilst Merthyr Tydfil had the lowest proportion of schools with negative reserves (0%). Ceredigion had the highest proportion of schools (33%) with reserves of over 10%.

Table 6 - Proportion of all schools across each local authority with reserves as a percentage of delegated schools expenditure

	<i>per cent</i>			
	Negative	Less than 5%	Between 5% and 10%	Over 10%
Isle of Anglesey	5	53	27	15
Gwynedd	9	40	30	21
Conwy	7	43	48	3
Denbighshire	38	27	18	18
Flintshire	12	53	28	8
Wrexham	14	59	25	1
Powys	24	32	28	16
Ceredigion	6	22	39	33
Pembrokeshire	13	54	18	15
Carmarthenshire	28	40	22	10
Swansea	6	38	44	12
Neath Port Talbot	21	29	31	19
Bridgend	37	54	7	2
Vale of Glamorgan	5	61	32	2
Cardiff	7	57	29	7
Rhondda Cynon Taf	11	50	28	10
Merthyr Tydfil	0	64	36	0
Caerphilly	21	48	26	6
Blaenau Gwent	28	24	40	8
Torfaen	15	41	38	6
Monmouthshire	34	34	23	9
Newport	7	49	33	11
Wales	15	45	29	11
Lowest	0	22	7	0
Highest	38	64	48	33

Source: Section 52 Outturn forms

Chart 3: Proportion of schools with reserves as a percentage of delegated schools expenditure

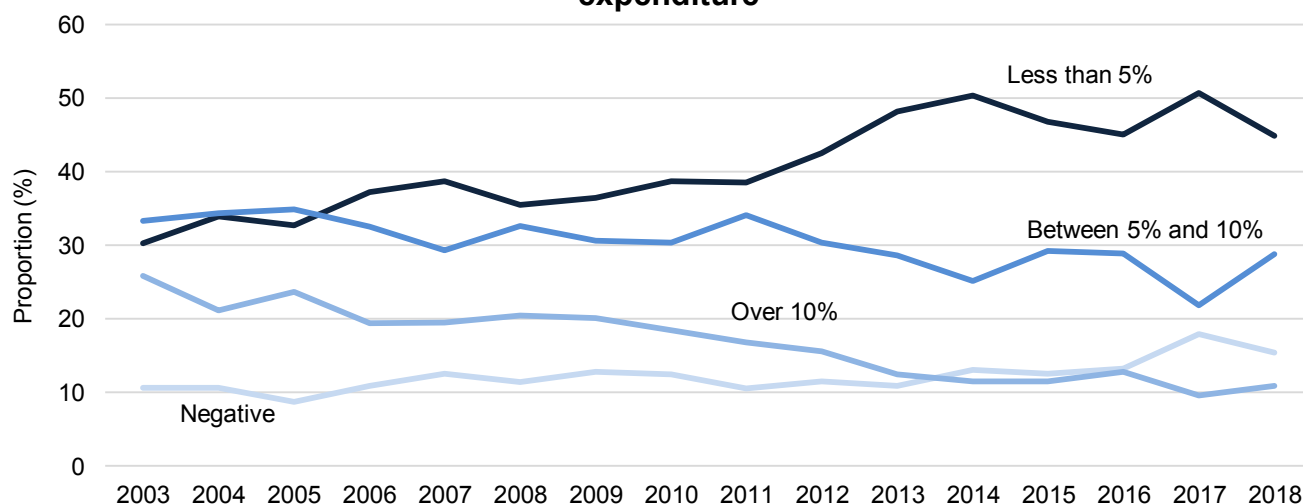


Chart 4: School reserves as a percentage of delegated schools expenditure

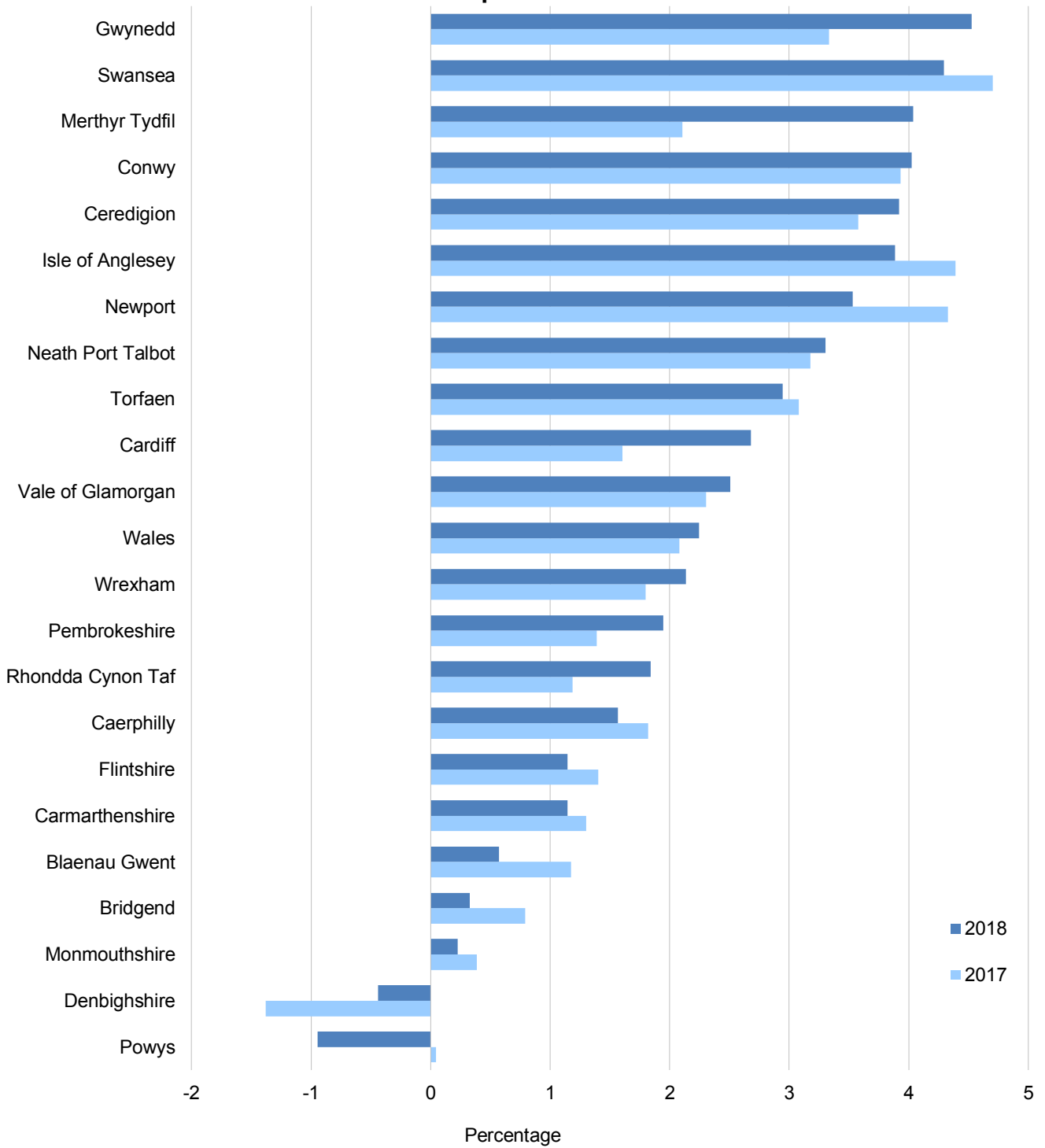


Table 7 shows the level of school reserves by local authority and school sector. The overall level of reserves were £48.7 million in primary schools and a £2.4 million deficit in secondary schools.

Table 7 - Level of school reserves at 31 March 2018, by school sector

Authority	£ million															
	Nursery			Primary			Middle			Secondary			Special			Overall
	Positive	Negative	Total	Positive	Negative	Total	Positive	Negative	Total	Positive	Negative	Total	Positive	Negative	Total	Total
Isle of Anglesey	.	.	.	1.4	-0.0	1.4	.	.	.	0.6	-0.2	0.4	0.1	.	0.1	1.9
Gwynedd	.	.	.	2.8	-0.0	2.7	0.4	.	0.4	1.1	-0.2	0.9	0.1	-0.1	-0.0	4.0
Conwy	.	.	.	2.4	-0.0	2.4	.	.	.	1.0	-0.1	0.9	0.1	.	0.1	3.4
Denbighshire	.	.	.	1.4	-0.5	0.9	.	-0.3	-0.3	0.2	-1.7	-1.5	0.5	.	0.5	-0.3
Flintshire	.	.	.	2.5	-0.1	2.4	.	.	.	0.3	-1.6	-1.3	0.2	.	0.2	1.3
Wrexham	0.0	.	0.0	2.2	-0.0	2.2	.	.	.	0.4	-0.6	-0.2	.	-0.0	-0.0	2.0
Powys	.	.	.	2.5	-0.3	2.2	.	-0.2	-0.2	0.6	-3.3	-2.7	0.2	-0.3	-0.1	-0.8
Ceredigion	.	.	.	1.6	-0.0	1.6	0.5	-0.4	0.1	0.5	-0.2	0.3	.	.	.	1.9
Pembrokeshire	.	.	.	1.7	-0.1	1.6	.	.	.	0.4	-0.5	-0.1	0.2	.	0.2	1.7
Carmarthenshire	0.0	.	0.0	2.3	-1.1	1.2	.	.	.	1.2	-1.0	0.2	0.1	.	0.1	1.5
Swansea	.	.	.	5.4	-0.1	5.3	.	.	.	2.3	-0.7	1.6	0.2	.	0.2	7.1
Neath Port Talbot	.	.	.	2.5	-0.2	2.3	0.1	-0.0	0.1	0.7	-0.4	0.3	0.2	.	0.2	2.9
Bridgend	.	.	.	1.0	-0.8	0.3	.	.	.	0.4	-0.8	-0.4	0.6	-0.1	0.5	0.4
Vale of Glamorgan	0.0	.	0.0	1.9	-0.1	1.8	.	-0.1	-0.1	0.7	.	0.7	0.1	.	0.1	2.6
Cardiff	0.3	.	0.3	6.8	-0.1	6.7	.	.	.	1.0	-1.5	-0.5	0.9	.	0.9	7.3
Rhondda Cynon Taf	.	.	.	4.2	-0.1	4.2	0.4	.	0.4	1.1	-2.7	-1.6	0.5	-0.0	0.5	3.4
Merthyr Tydfil	0.0	.	0.0	1.3	.	1.3	.	.	.	0.4	.	0.4	0.1	.	0.1	1.8
Caerphilly	.	.	.	2.6	-0.4	2.2	0.2	.	0.2	1.0	-1.7	-0.7	0.3	.	0.3	2.0
Blaenau Gwent	.	.	.	1.0	-0.1	0.9	.	-0.8	-0.8	0.3	-0.1	0.2	0.1	.	0.1	0.3
Torfaen	0.0	.	0.0	1.6	-0.0	1.6	.	.	.	0.5	-0.1	0.4	0.1	.	0.1	2.0
Monmouthshire	.	.	.	1.0	-0.3	0.7	.	.	.	0.2	-0.7	-0.5	.	-0.0	-0.0	0.1
Newport	0.0	-0.0	0.0	3.0	.	3.0	.	.	.	1.1	-0.4	0.7	0.1	-0.0	0.1	3.9
Wales	0.4	-0.0	0.4	52.9	-4.2	48.7	1.6	-1.8	-0.2	15.9	-18.3	-2.4	4.5	-0.6	3.9	50.4

Source: Section 52 Outturn forms

. not applicable

Glossary

Definitions

Reserves are sums of money that schools carry forward from one year to the next. They arise from underspends and overspends against school allocations over time.

Delegated school expenditure is actual education spending that is purely delegated or devolved by local authorities to schools and does not include any money held centrally by the local authority and spent on behalf of schools.

Background

Schools are responsible for managing their own finances. The level of reserves held by an individual school at any point in time will depend on a number of factors. These will include the timing of receipt of income and of payments, the level of contingency fund the school governing body considers appropriate and the particular plans each school has for expenditure.

Key quality information

Official Statistics are produced to high professional standards set out in the Code of Practice for Official Statistics. They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political reference.

This section provides a summary of information on this output against six dimensions of quality: Relevance, Accuracy, Timeliness and Punctuality, Accessibility and Clarity, Coherence, and Comparability.

Relevance

The statistics are important and have a number of uses, for example: advice to Ministers; local government finance revenue settlement calculations; unitary authority comparisons and benchmarking; expenditure in Wales compared to other countries; informing the debate in the National Assembly for Wales and beyond; assisting in research in public expenditure issues; economic analysis.

Accuracy

The main source of information about local education authority expenditure is the Section 52 outturn (S52) return required under Section 52 of the [Schools Standards and Framework Act 1998](#), provided by local authorities. Data has been collated in this way from 2001. Prior to this, the data was not aggregated centrally to provide a Wales position. The latest returns relate to the final accounts for the 2017-18 financial year.

We collect 100% of returns from all twenty-two county councils. The collection is a 100% survey and as such no estimation of the figures is calculated, and hence there is no sampling error.

In tables where figures have been rounded to the nearest final digit there may be an apparent discrepancy between the sum of the constituent items and the total as shown.

Once we receive the data, it goes through further validation and verification checks, for example:

- spend per head by local authority;
- arithmetic consistency checks;
- cross checks with other relevant data collections;
- thorough tolerance checks;
- outturn comparison with budgets;
- cross checks with data from other government departments;
- verification that data outside of tolerances are correct.

The data that is collected adhere to recognised professional standards. Specifically, the finance data is required under legislation and also must adhere to CIPFA accounting procedures.

However, further guidelines are also available on the interpretation of these standards to ensure consistency.

Timeliness and punctuality

The data collection is carried out over the summer. The data is published in October, this allows time to collect, collate and validate the data.

All outputs adhere to the Code of Practice by pre-announcing the date of publication through the [upcoming calendar](#) web pages.

Accessibility and clarity

Welsh local government finance statistics are published in an accessible, orderly, pre-announced manner on the Welsh Government website at 9:30am on the day of publication. Simultaneously the releases are also published on the National Statistics Publication Hub. All releases are available to download for free.

More detailed data are also available at the same time on the StatsWales website and this can be manipulated online or downloaded into spreadsheets for use offline.

We aim to use Plain English in our outputs and all outputs adhere to the Welsh Government accessibility policy. Furthermore, all our headlines are published in Welsh and English.

We regularly peer review our outputs.

Comparability and coherence

Adhering to the professional code (CIPFA's SeRCOP) has meant that changes over time have been minimal. Where there have been time series which are not comparable from the start of the time series to the end this will be shown clearly in the outputs. Where advance warning is known of future changes these will be pre-announced in accordance with Welsh Government arrangements.

The existence of a professional code and our adherence to it provides assurance that the data are consistent across domains, such as local authorities.

Statistics on education expenditure are also published in both [England](#) and [Scotland](#).

National Statistics status

The [United Kingdom Statistics Authority](#) has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the [Code of Practice for Statistics](#).

National Statistics status means that official statistics meet the highest standards of trustworthiness, quality and public value.

All official statistics should comply with all aspects of the Code of Practice for Statistics. They are awarded National Statistics status following an assessment by the UK Statistics Authority's regulatory arm. The Authority considers whether the statistics meet the highest standards of Code compliance, including the value they add to public decisions and debate.

It is Welsh Government's responsibility to maintain compliance with the standards expected of National Statistics. If we become concerned about whether these statistics are still meeting the appropriate standards, we will discuss any concerns with the Authority promptly. National Statistics status can be removed at any point when the highest standards are not maintained, and reinstated when standards are restored.

Well-being of Future Generations Act (WFG)

The Well-being of Future Generations Act 2015 is about improving the social, economic, environmental and cultural well-being of Wales. The Act puts in place seven well-being goals for Wales. These are for a more equal, prosperous, resilient, healthier and globally responsible Wales, with cohesive communities and a vibrant culture and thriving Welsh language. Under section (10)(1) of the Act, the Welsh Ministers must (a) publish indicators ("national indicators") that must be applied for the purpose of measuring progress towards the achievement of the Well-being goals, and (b) lay a copy of the national indicators before the National Assembly. The 46 national indicators were laid in March 2016.

Information on the indicators, along with narratives for each of the well-being goals and associated technical information is available in the [Well-being of Wales report](#).

Further information on the [Well-being of Future Generations \(Wales\) Act 2015](#).

The statistics included in this release could also provide supporting narrative to the national indicators and be used by public services boards in relation to their local well-being assessments and local well-being plans.

Further details

The document is available at:

<https://gov.wales/statistics-and-research/reserves-held-schools/?lang=en>

Further data is available on our StatsWales website:

[StatsWales: Delegated School Outturn](#)

We want your feedback

We welcome any feedback on any aspect of these statistics which can be provided by email to

stats.finance@gov.wales

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