



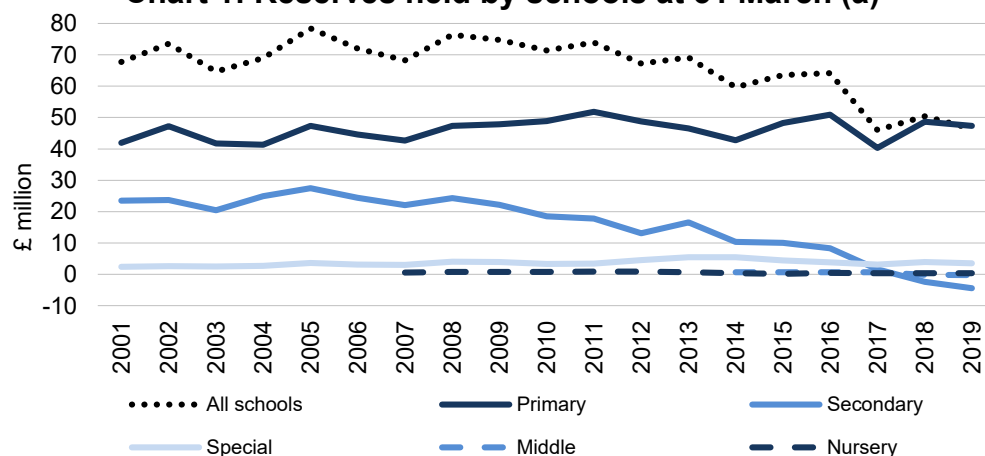
Reserves held by schools in Wales at 31 March 2019 (Revised)

5 December 2019
SFR 97/2019 (R)

Key points

- The overall level of reserves held by schools in Wales was £46 million at 31 March 2019, the equivalent of £102 per pupil. The overall level of reserves decreased by 7.9% compared with the previous year. Reserves in primary schools accounted for £47 million.
- The decrease in overall reserves is driven by secondary schools where reserves decreased in the latest year, as they have done in recent years, and are now in deficit by £4.4 million. Overall there was a decrease of £4.0 million in total reserves.
- Swansea had the highest level of reserves per pupil at £251 while Monmouthshire had the lowest with a deficit of £22 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. 10 per cent of schools now have reserves over 10% of expenditure, half of the percentage a decade ago.
- 151 primary, 77 secondary, 8 special, 1 nursery and 10 middle schools in Wales had negative reserves totalling £29 million. The remaining 1,287 schools had positive reserves, 150 of which had reserves in excess of 10% of their total delegated expenditure.

Chart 1: Reserves held by schools at 31 March (a)



(a) Nursery schools are shown from 2007 and middle schools from 2014 onwards.

About this release

This release has been revised due to errors in the reserves data submitted by Flintshire County Council.

This statistical release provides an analysis of financial reserves held by schools in Wales for the financial years 2017-18 and 2018-19. 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](https://stats.wales.gov.uk/).

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Table 1 provides an analysis of the reserves position at 31 March 2019 and the delegated schools expenditure during the 2018-19 financial year. Swansea recorded the highest level of overall reserves per pupil (£251) while Monmouthshire and Powys recorded the lowest level (-£22). 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	2018-19		Level of school reserves at 31 March 2019					
	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	47.4	5,045	1.6	-0.9	0.6	167	-99	67
Gwynedd	89.0	5,416	4.2	-0.2	4.0	258	-13	246
Conwy	84.8	5,552	2.9	-0.4	2.5	191	-28	163
Denbighshire	80.5	5,318	2.3	-2.5	-0.2	152	-163	-11
Flintshire	113.9	5,046	3.3	-2.0	1.3	148	-89	59
Wrexham	95.3	5,063	2.9	-1.1	1.8	153	-56	97
Powys	88.5	5,253	3.9	-4.2	-0.4	230	-252	-22
Ceredigion	50.3	5,343	2.2	-0.4	1.8	231	-38	193
Pembrokeshire	89.2	5,339	2.6	-0.2	2.4	154	-9	145
Carmarthenshire	130.9	4,842	3.2	-3.6	-0.4	119	-134	-15
Swansea	169.3	4,943	8.8	-0.2	8.6	258	-7	251
Neath Port Talbot	88.4	4,395	2.6	-1.5	1.1	130	-74	56
Bridgend	113.9	4,969	2.1	-1.5	0.6	91	-64	27
Vale of Glamorgan	108.4	4,993	2.7	-0.1	2.7	126	-3	123
Cardiff	281.0	5,309	7.5	-1.9	5.7	142	-35	107
Rhondda Cynon Taf	188.0	4,927	6.0	-3.0	3.0	157	-78	79
Merthyr Tydfil	46.2	5,247	1.8	0.0	1.8	200	0	200
Caerphilly	131.6	4,856	3.8	-1.3	2.5	141	-48	93
Blaenau Gwent	51.3	5,750	1.9	-0.8	1.1	210	-92	118
Torfaen	70.8	4,895	3.1	-0.2	2.9	213	-13	200
Monmouthshire	53.3	4,748	1.0	-1.3	-0.3	93	-115	-22
Newport	114.4	4,524	4.5	-1.4	3.1	178	-54	124
Wales	2,286.4	5,041	74.9	-28.5	46.4	165	-63	102
Lowest		4,395	1.0	-4.2	-0.4	91	-252	-22
Highest		5,750	8.8	0.0	8.6	258	0	251

Source: Section 52 Outturn forms

(a) Calculated using provisional data. Full-time equivalent pupil numbers are calculated from the Pupil Level Annual School Census 2019. They are based on numbers at January 2019 so will not reflect changes throughout the year.

Chart 2: Level of reserves per pupil at 31 March 2019

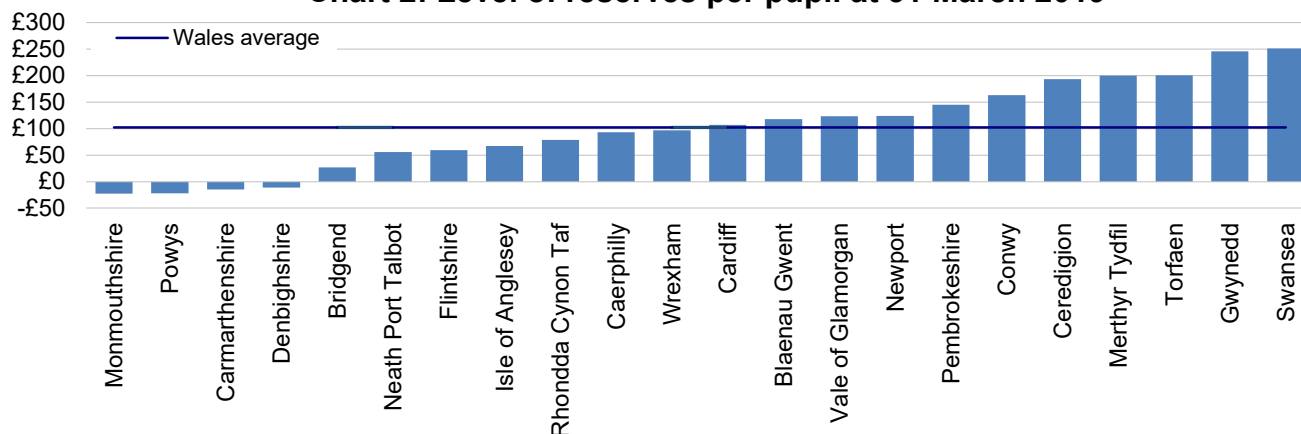


Table 2 shows the annual changes in school reserves. Compared to the previous year, the overall level of positive reserves increased by £0.4 million and the level of negative reserves decreased by £3.6 million. These figures combine to show a decrease of £4.0 million in total reserves.

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
	2018	2019	Change	2018	2019	Change	2018	2019	Change	2018	2019	
Isle of Anglesey	2.1	1.6	-0.5	-0.2	-0.9	-0.7	1.9	0.6	-1.2	3.9	1.3	-2.5
Gwynedd	4.3	4.2	-0.1	-0.3	-0.2	0.1	4.0	4.0	0.0	4.5	4.5	0.0
Conwy	3.4	2.9	-0.5	-0.1	-0.4	-0.3	3.4	2.5	-0.9	4.0	2.9	-1.1
Denbighshire	2.1	2.3	0.2	-2.4	-2.5	-0.1	-0.3	-0.2	0.2	-0.4	-0.2	0.2
Flintshire	2.9	3.3	0.4	-1.6	-2.0	-0.4	1.3	1.3	0.1	1.1	1.2	0.0
Wrexham	2.6	2.9	0.2	-0.6	-1.1	-0.4	2.0	1.8	-0.2	2.1	1.9	-0.2
Powys	3.3	3.9	0.6	-4.1	-4.2	-0.2	-0.8	-0.4	0.5	-0.9	-0.4	0.5
Ceredigion	2.6	2.2	-0.4	-0.6	-0.4	0.3	1.9	1.8	-0.1	3.9	3.6	-0.3
Pembrokeshire	2.3	2.6	0.3	-0.6	-0.2	0.5	1.7	2.4	0.7	1.9	2.7	0.8
Carmarthenshire	3.6	3.2	-0.4	-2.1	-3.6	-1.5	1.5	-0.4	-1.9	1.1	-0.3	-1.4
Swansea	7.8	8.8	1.0	-0.7	-0.2	0.5	7.1	8.6	1.5	4.3	5.1	0.8
Neath Port Talbot	3.5	2.6	-0.9	-0.6	-1.5	-0.9	2.9	1.1	-1.8	3.3	1.3	-2.0
Bridgend	2.0	2.1	0.1	-1.7	-1.5	0.2	0.4	0.6	0.3	0.3	0.5	0.2
Vale of Glamorgan	2.7	2.7	0.0	-0.1	-0.1	0.1	2.6	2.7	0.1	2.5	2.5	-0.0
Cardiff	8.9	7.5	-1.4	-1.6	-1.9	-0.3	7.3	5.7	-1.7	2.7	2.0	-0.7
Rhondda Cynon Taf	6.2	6.0	-0.2	-2.8	-3.0	-0.2	3.4	3.0	-0.4	1.8	1.6	-0.2
Merthyr Tydfil	1.8	1.8	-0.1	0.0	0.0	0.0	1.8	1.8	-0.1	4.0	3.8	-0.2
Caerphilly	4.1	3.8	-0.3	-2.1	-1.3	0.8	2.0	2.5	0.5	1.6	1.9	0.3
Blaenau Gwent	1.4	1.9	0.5	-1.1	-0.8	0.3	0.3	1.1	0.8	0.6	2.1	1.5
Torfaen	2.2	3.1	0.9	-0.1	-0.2	-0.1	2.0	2.9	0.9	2.9	4.1	1.1
Monmouthshire	1.1	1.0	-0.1	-1.0	-1.3	-0.3	0.1	-0.3	-0.4	0.2	-0.5	-0.7
Newport	4.3	4.5	0.2	-0.4	-1.4	-1.0	3.9	3.1	-0.7	3.5	2.7	-0.8
Wales	75.3	74.9	-0.4	-24.9	-28.5	-3.6	50.4	46.4	-4.0	2.2	2.0	-0.2
Lowest										-0.9	-0.5	
Highest										4.5	5.1	

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 2018-19 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. 151 primary and 77 secondary schools had negative reserves at 31 March 2019. 142 primary and 3 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>				
	Negative	Less than 5%	Between 5% and 10%	Over 10%	All schools
Nursery	1	4	5	1	11
Primary	151	566	405	142	1,264
Middle	10	4	4	1	19
Secondary	77	99	20	3	199
Special	8	19	11	3	41
Total	247	692	445	150	1,534

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 £5 million and £20 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>				
	Negative	Less than 5%	Between 5% and 10%	Over 10%	All schools
Nursery	0.0	0.0	0.2	0.1	0.3
Primary	-5.4	15.8	25.5	11.4	47.3
Middle	-2.1	0.3	1.0	0.5	-0.3
Secondary	-20.4	9.0	5.7	1.3	-4.4
Special	-0.6	1.6	1.7	0.8	3.5
Total	-28.5	26.8	34.1	14.1	46.4

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 have reserves that are negative or less than 5 per cent of expenditure.

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	36	45	9	0	27	-9	-18
Primary	12	45	32	11	1	0	0	-1
Middle	53	21	21	5	-1	13	6	-18
Secondary	39	50	10	2	-1	0	1	0
Special	20	46	27	7	0	2	7	-10
Total	16	45	29	10	1	0	0	-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. Monmouthshire had the highest proportion of schools with negative reserves (43%), whilst Merthyr Tydfil had the lowest proportion of schools with negative reserves (0%). Powys and Ceredigion had the highest proportion of schools (24%) 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	33	24	22	20
Gwynedd	7	36	40	17
Conwy	5	51	38	7
Denbighshire	23	39	29	9
Flintshire	16	49	27	8
Wrexham	16	51	30	3
Powys	23	25	27	24
Ceredigion	9	28	39	24
Pembrokeshire	6	58	28	8
Carmarthenshire	41	26	23	10
Swansea	1	44	44	11
Neath Port Talbot	21	50	13	16
Bridgend	37	47	15	0
Vale of Glamorgan	5	63	26	5
Cardiff	10	63	22	5
Rhondda Cynon Taf	9	57	30	4
Merthyr Tydfil	0	79	21	0
Caerphilly	21	47	25	7
Blaenau Gwent	20	36	32	12
Torfaen	6	38	50	6
Monmouthshire	43	29	23	6
Newport	11	40	36	13
Wales	16	45	29	10
Lowest	0	24	13	0
Highest	43	79	50	24

Source: Section 52 Outturn forms

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

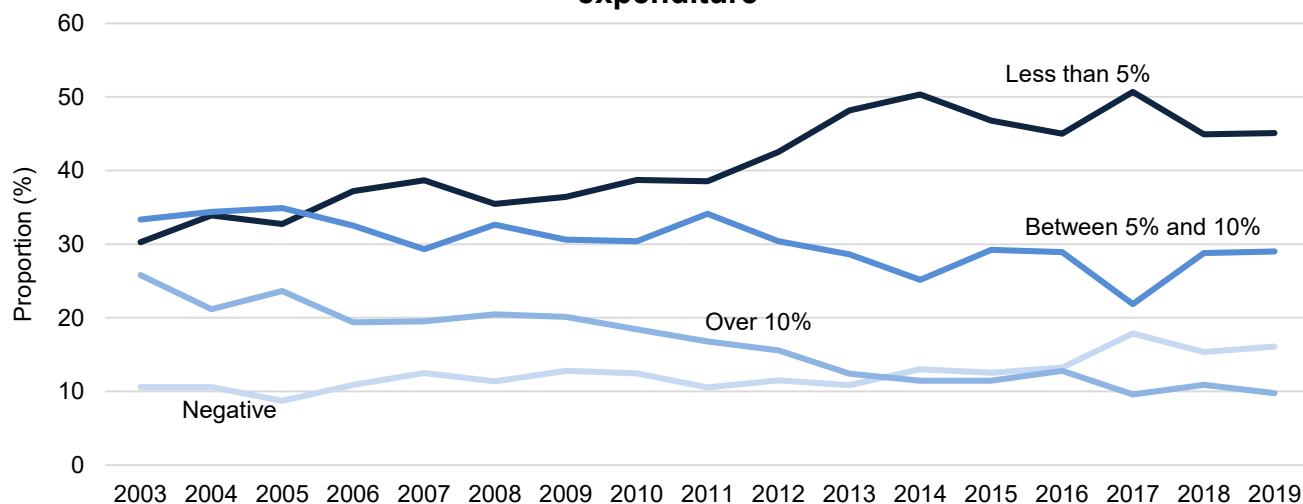


Chart 4: School reserves as a percentage of delegated schools expenditure

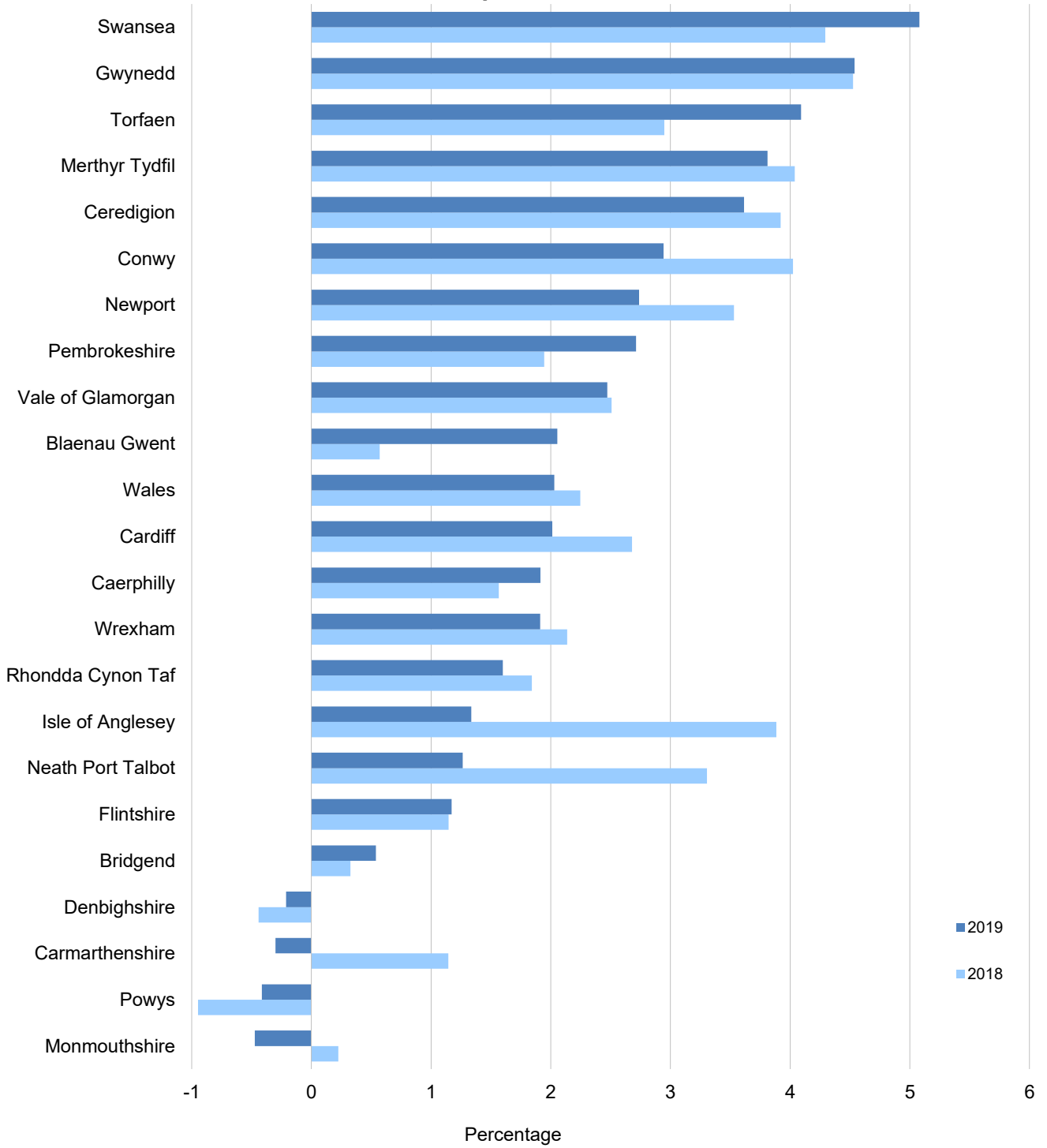


Table 7 shows the level of school reserves by local authority and school sector. The overall level of reserves were £47.3 million in primary schools and a £4.4 million deficit in secondary schools.

Table 7 - Level of school reserves at 31 March 2019, by school sector

Authority	<i>£ million</i>															
	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	.	.	.	1.2	-0.3	1.0	.	.	.	0.4	-0.6	-0.3	.	-0.1	-0.1	0.6
Gwynedd	.	.	.	2.6	-0.0	2.5	0.5	.	0.5	1.1	-0.2	1.0	0.1	-0.0	0.1	4.0
Conwy	.	.	.	2.2	-0.0	2.2	.	.	.	0.6	-0.4	0.2	0.1	.	0.1	2.5
Denbighshire	.	.	.	1.5	-0.3	1.3	.	-0.3	-0.3	0.3	-1.9	-1.7	0.5	.	0.5	-0.2
Flintshire	.	.	.	2.7	-0.1	2.6	.	.	.	0.4	-1.9	-1.5	0.2	.	0.2	1.3
Wrexham	0.0	.	0.0	2.4	-0.0	2.3	.	.	.	0.5	-0.9	-0.4	.	-0.1	-0.1	1.8
Powys	.	.	.	2.9	-0.3	2.5	.	-0.1	-0.1	0.8	-3.5	-2.7	0.2	-0.3	-0.1	-0.4
Ceredigion	.	.	.	1.4	-0.0	1.3	0.5	-0.2	0.3	0.3	-0.1	0.2	.	.	.	1.8
Pembrokeshire	.	.	.	1.8	-0.0	1.8	0.0	-0.0	0.0	0.6	-0.1	0.5	0.2	.	0.2	2.4
Carmarthenshire	0.0	.	0.0	1.8	-1.7	0.1	.	.	.	1.1	-1.9	-0.7	0.2	-0.0	0.2	-0.4
Swansea	.	.	.	5.7	.	5.7	.	.	.	3.0	-0.2	2.7	0.2	.	0.2	8.6
Neath Port Talbot	.	.	.	2.1	-0.5	1.7	.	-0.6	-0.6	0.4	-0.3	0.1	0.1	-0.1	0.0	1.1
Bridgend	.	.	.	1.2	-0.9	0.4	.	.	.	0.4	-0.6	-0.2	0.5	.	0.5	0.6
Vale of Glamorgan	0.0	.	0.0	2.1	-0.0	2.1	.	-0.0	-0.0	0.6	.	0.6	.	-0.0	-0.0	2.7
Cardiff	0.2	.	0.2	5.4	-0.1	5.3	.	.	.	1.2	-1.7	-0.6	0.7	.	0.7	5.7
Rhondda Cynon Taf	.	.	.	3.7	-0.0	3.7	0.7	.	0.7	1.2	-3.0	-1.7	0.3	.	0.3	3.0
Merthyr Tydfil	0.0	.	.	1.2	.	1.2	.	.	.	0.4	.	0.4	0.1	.	0.1	1.8
Caerphilly	.	.	.	2.8	-0.4	2.4	0.1	.	0.1	0.7	-0.9	-0.2	0.2	.	0.2	2.5
Blaenau Gwent	.	.	.	1.3	-0.0	1.3	.	-0.8	-0.8	0.3	-0.0	0.3	0.2	.	0.2	1.1
Torfaen	0.0	.	.	2.1	-0.0	2.1	.	.	.	0.9	-0.2	0.7	0.1	.	0.1	2.9
Monmouthshire	.	.	.	0.8	-0.6	0.2	.	.	.	0.1	-0.7	-0.6	0.1	.	0.1	-0.3
Newport	0.0	-0.0	0.0	3.7	-0.0	3.7	.	.	.	0.7	-1.3	-0.6	0.1	.	0.1	3.1
Wales	0.3	-0.0	0.3	52.7	-5.4	47.3	1.8	-2.1	-0.3	16.0	-20.4	-4.4	4.1	-0.6	3.5	46.4

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 2018-19 financial year.

Local authorities in the United Kingdom are required to keep their accounts in accordance with 'proper practices'. [SeRCOP](#) (previously BVACOP) establishes 'proper practice' with regard to consistent financial reporting below the Statement of Accounts level. [SeRCOP](#) is reviewed continuously and is normally updated annually.

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

However, [further guidelines](#) are also issued on the interpretation of these standards to ensure consistency across authorities.

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. The survey itself has built-in rigorous validation and historical data to aid the users complete the data collection accurately.

Local authorities extract the data from their accounting systems in order to complete the data collection exercise. Each authority has a nominated contact whose responsibility it is to ensure that the data is correct before submission. All further validation and verification checks are then carried out by the same contact.

Once we receive the data, it goes through further comprehensive 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.

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.

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.

The continued designation of these statistics as National Statistics was confirmed in March 2019 following a [compliance check by the Office for Statistics Regulation](#). These statistics last underwent a [full assessment against the Code of Practice](#) in 2011.

Since the latest review by the Office for Statistics Regulation, we have continued to comply with the Code of Practice for Statistics, and have made the following improvements:

- Added extra information on the validation checks that are performed on the data;
- Explained the role of CIPFA's code of practice in local authority accounting;
- Included a link to the guidance document that accompanies the data collection.

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/reserves-held-schools-31-march-2019>

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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