

Summary Analysis of the Current Financial Position of Redlands and Smithy Schools

Both schools had substantial revenue surplus balances at the end of the 2018-19 financial year; Smithy Street’s being £706k and Redlands’ £632k.

The three year financial projections agreed by the governing bodies at the start of the 2019-20 financial year projected in-year deficits for 2019-20 onwards under current arrangements. The year on year projections place both schools in financial difficulties by the end of the three year period.

The latest, Quarter 3, Forecast Outturn is set out in the table together with an analysis of future action.

School	2019-20 Forecast Outturn £	Future Status	Revenue Balance at Closure/Amalgamation 31 August 2020	Licensed Deficit Approval Impact	Residual Budget at closure/amalgamation 31 August 2020	2021-22 Impact	Comments
Redlands	- 172,309	Expanding School	Remains with school	LDA needed for closure period to minimise final figure	Remains with school	Attracts transitional support to guarantee 85% of former combined lump sums	
Smithy Street	507,793	Closing	Reverts to LBTH	NA	Reverts to newly amalgamated school	NA	The statutory proposal sets out that the closing balance will be transferred to the new school on 1st September