

REVENUE/CAPITAL DEFICITS

PRIMARY SCHOOLS

Clare House Primary

Deficit £65,038

-7%

Reason for Deficit

- Historic deficit of £126,722 from the beginning of 2012/13

Management Action to achieve Recovery Plan as agreed by School and LA

- Ongoing review of resource costs(teaching and non-teaching staff)
- Continue benchmarking with other schools
- Continue review of Service Level Agreements and contracts.
- Maximise opportunities for revenue generation activities
- Ongoing review of suppliers and tightening control on stationery orders

LA Comment

The school has worked very closely with the LA to agree a deficit recovery plan The school is currently expanding to two forms of entry which will help it to become more financially viable and this is reflected in the recovery plan which shows that the deficit will be fully repaid in 2014/15. It is important that this is recognised as this is one of the schools that will be under additional scrutiny from DfE having had a deficit in excess of 2.5% for the past four years.

Hawes Down Junior

Deficit £11,062

-1%

Reasons for Deficit

- Ofsted recovery plan initiated early in Spring Term 2013 resulted in additional unplanned expenditure.

Management Action to achieve Recovery Plan as agreed by School and LA

The school has set a budget for 2014/15 which indicates that they will have a surplus of around £20k at the end of 2014/15.

LA Comment

The school is buying into the highest level of financial support and is aiming to fully recover the deficit in 2014/15. The school has plans to convert to Academy status shortly.

Schools with Uncommitted Revenue Balances of 8% or More

Primary Schools

Bickley Primary School

Uncommitted Revenue Surplus £115,791 9%

Reason for high balances

The school was expecting to have to replace the boilers that were in urgent need of repair, then were advised during the year that the LA would pay for the repairs/replacement. The school was also expecting to have to pay for the air conditioning required in 4 classrooms, but has been successful in its Seed Challenge bid.

The school is currently facing considerable issues with the first 2 form entry class and require an additional teacher for September.

Management Action to reduce balances with detailed costings

- One year contract for additional teacher £32,000
- Repair of fencing to perimeter of school £18,500
- Additional Teaching Assistant for named child without a statement £15,400
- Additional class set up for final 2fe class £5,500
- Widening of pathways to address the increase of pedestrian traffic £2,500

LA Comments

Planned expenditure will reduce uncommitted revenue balances to around 3%.

Chelsfield Primary School

Uncommitted Revenue Surplus £112,385 23%

Reasons for High Balances

Budget was allocated for emergency lighting but remedial work had to be done first. The infant playground was to be done but again due to the extensive work on windows and doors this had to be pushed back. Building works completed came in significantly under budget.

Management Action to reduce balances with detailed costings

Extension to Junior building including project management and planning permission	£39,000
Furniture and resources including interactive whiteboards and ipads	£5,000
Teacher (0.6 fte plus oncosts)	£30,000
Challenge the gap	£4,975
Power of Reading training	£2,900
Forest school training	£8,000
Playground update	£12,000

LA Comments

Planned expenditure will reduce uncommitted revenue balances to around 1%. The schools has been advised to consider the longer term impact of some of the plans which relate to staffing costs.

**Edgebury Primary
School**

Uncommitted Revenue Surplus £73,105 9%

Reasons for High Balances

Health and Safety requirements to be updated. Additional teaching support due to current vacancies.

Management Action to reduce balances with detailed costings

Health and Safety	£5,000
Teaching support	£10,000

LA Comments

The information provided above does not match with the budget set by the school which actually shows balances increasing by the end of 14/15 – school asked to provide further information.

Hawes Down Infant School

Uncommitted Revenue Surplus £112,007 12%

Reasons for High Balances

Accumulated balance from previous years

Management Action to reduce balances with detailed costings

School contribution to Seed Challenge	£8,200
Revenue contribution to capital for playground refurbishment	£30,000
Revenue contribution to capital for kitchen refurbishment	£20,000

LA Comments

Planned expenditure will reduce uncommitted revenue balances to around 5%.

Keston Primary School

Uncommitted Revenue Surplus £100,504 11%

LA Comments

Keston Primary School converted to Academy status on 1st April and as such all balances will transfer to the Academy.

Reasons for High Balances

Historical high balances – leadership and staff changes

Management Action to reduce balances with detailed costings

School contribution to Seed Challenge Project - toilets	£50,000
Staging in Hall	£7,000
New flooring – reception class	£2,150
Hall screen and projector	£2,975
Visualisers	£4,000
Set up of new curriculum server	£6,000

LA Comments

Planned expenditure as detailed above will reduce uncommitted revenue balances to around 7%. However, the actual budget set by the school shows a projected year end balance of only £24k. As this is due to a significant increase in recurrent expenditure the LA has raised concerns about the long term viability of the budget.

Reasons for High Balances

We are aware that there will be a need for high capital expenditure within the next three years. Red Hill has reached its teaching and administration space capacity and with the extra Pupil Premium work which we are carrying out, there is a need to increase our classroom space so that we can offer additional support for our vulnerable pupils. We are also aware that our hall is in need of renovation; the La have confirmed that it is on their list of improvements however it will not be in this financial year. We have therefore kept a surplus to cover any additional work including refurbishment that is required.

Management Action to reduce balances with detailed costings

Two Seed Fund Challenges have been agreed for 2014/15	£15,938
We are increasing our senior leadership team, from September	£131,636
we will be employing 3 Phase leaders and a Business Manager	
Increase the capacity of our school kitchen to include additional oven	£10,000
two counter servers, kitchen equipment and dining furniture	
School Office extension	£43,000
Increase of teaching space to include creation of new classroom	£75,000

LA Comments

The information provided for this report does not match with the actual budget agreed by the school which indicates that the school will still have high balances at the end of 2014/15 – further clarification to be sought from the school.

Southborough Primary School**Uncommitted Revenue Surplus £217,093 13%**Reasons for High Balances

Surplus originated from underspends in 2012/13. Planned expenditure in 2013/14 not completed resulting in underspend on Building Maintenance, Furniture and Fittings and Other Bought in Services,

Management Action to reduce balances with detailed costings

Playground works (excluding seed challenge allocation and money transferred to capital in 2013/14)	£21,400
Employment of Phonics Teacher for one year	£26,250
Staff training (in line with School Improvement Plan and Post Ofsted Action Plan)	£40,000
Additional Teaching Assistant interventions	£16,077
English and Maths resources (as per Post Ofsted Plan)	£10,000
Amount put aside for future building works	£62,810

LA Comments

Planned expenditure will reduce uncommitted revenue balances to around 2.5%.

St Anthony's Primary School**Uncommitted Revenue Surplus £108,470 15%**Reasons for High Balances

We have been focussing on teaching and learning and raising standards and have retained this amount to further enhance Early Years Foundation Stage and IT teaching. We also plan to rebrand with a new school uniform and raising the profile of our school with positive images. We are able to retain our EYFS specialist and we will also employ an ICT specialist to teach the new IT curriculum and to train members of staff.

Management Action to reduce balances with detailed costings

Early years specialist	£50,272
ICT Specialist	£19,758
New uniform allowance	£15,000

LA Comments

It is not clear that this planned expenditure has been included in the budget set by the school – SFT to follow up and to discuss the long term implications of these staffing changes.

St George's Primary School**Uncommitted Revenue Surplus £108,470 15%**Reasons for High Balances

Previous underspend of funding, primarily due to timing of larger capital projects, carried forward into new financial year.

Management Action to reduce balances with detailed costings

Windows	£22,000
Front Drive	£30,000
EY Flooring	£5,000
Corridors	£9,000
HT and DHT Office refurbishment	£10,000
Cloakroom refurbishment	£9,000
KS1 classroom decoration including furniture and blinds	£20,000

LA Comment

Planned expenditure will reduce uncommitted revenue balances to around 5%.

Secondary Schools

St Olave's Grammar School

Uncommitted Revenue Surplus £837,517 18%

Reasons for High Balances

The School has been managing its cost base and building reserves with great prudence in anticipation of cuts in Government funding. There is no external capital funding available to the school. Protection against a further cut in EFA Sixth form funding of £133,000 in 2014/15.

Management Action to reduce balances with detailed costings

Two new science laboratories	£500,000
Replacement of main heating boiler and associated pipework	£30,000
Replacement of electrical switchgear and rewiring	£50,000
New telephone system and data cabling	£25,000
Repairs to Gym roof	£10,000
Emergency lighting upgrade	£9,000
Other priority repairs to building fabric and infrastructure	£50,000

LA Comment

The information provided for this report does not match with the actual budget agreed by the school which indicates that the school will still have high balances at the end of 2014/15 – further clarification to be sought from the school.