

West Berkshire Schools' Forum	
Title of Report:	Update on Schools in Financial Difficulty 2015/16 (Maintained Schools)
Date of Meeting:	7th December 2015
Contact Officer(s)	Claire White
For Information	

1. Summary

1.1 The maintained schools that have set a deficit budget for 2015/16 are as follows:

	Actual Opening balance 01.04.15	Budgeted Closing Deficit 31.03.16
John O'Gaunt Secondary	-605,233	-967,030
Long Lane Primary	19,537	-15,660
Kintbury Primary	26,913	-3,010
Purley	9,039	-24,060

2. John O'Gaunt School

2.1 The school is currently reviewing options to significantly change the way it is structured and managed in order to reduce the deficit and be able to balance its budget in year, whilst at the same time improving performance.

2.2 The school's financial position continues to be monitored by the Corporate Director for Communities, Head of Finance, and key Members of the Council.

3. Long Lane Primary School

3.1 The school has experienced a large reduction in pupil numbers, mainly due to Purley's transition from an infant to a primary school (i.e. reduction in years 3 to 6). Costs were initially absorbed through utilising carry forward of previous year surpluses. The current year deficit is mainly due to redundancy costs that could not be absorbed, but with the reduction in teaching assistant hours in the current year and a reduction from 8 to 7 classes (and thus one teacher) in

2016/17, the deficit recovery plan shows the school returning to a balanced budget again in 2016/17.

3.2 As at month 7, the deficit recovery plan is on track. Four teaching assistants were made redundant at the end of the Summer term, and lunchtime staff have been greatly reduced by returning to the same lunch hour for the whole school. There will also be a full time teacher redundancy at the end of August 2016. The current forecast is a deficit of £8k at the end of this financial year, with full recovery by the end of 2016/17.

3.3 The Schools Accountancy team receive and review the school's monthly Budget Monitoring and Forecasting reports, and regularly give feedback to the school.

4. Kintbury Primary School

4.1 The main reasons for the deficit are reduction in funding through the changes to the school formula, and a particularly small year group (8 instead of the average 24) moving through the school. The school has carried out some restructuring and made savings from reducing the number of hours of educational support staff.

4.2 The school has been successful in its bid to fund redundancies from the "schools in financial difficulties" fund, and will now close the financial year in balance. With this funding and the revised structure in place, the school should be able to balance its budget moving forward, even with the funding through the minimum funding guarantee continuing to fall. The plan relies on the small year group being replaced by higher numbers for 2018/19 financial year, but back up plans are also in place.

5. Purley School

5.1 Purley is growing from an infant to a primary school, with the top year consisting of just 9. The admission number has been reduced to 15 (from 21) but whilst this works through, the pupil number configuration is not the optimum from a financial perspective. There will be some restructuring and redundancies whilst the pupil numbers settle to the planned structure, with the school returning to a balanced budget in 2019/20.

5.2 Awaiting information from the school

5.3 The Schools Accountancy team receive and review the school's monthly Budget Monitoring and Forecasting reports and regularly give feedback to the school.

6. Other Schools at Risk

6.1 Out of the 29 schools showing a deficit in 2016/17 when submitting their three year plan last Summer, 4 primary schools still expect to set a deficit budget in 2016/17 and 4 primary schools are unclear whether or not they will set a deficit in 2016/17 (this excludes the schools already in deficit and the PRUs and special schools).

6.2 Of these schools, none have requested support from the Finance team.