

Deficit Schools

Report being considered by: Heads Funding Group on 13th March 2023

Report Author: Melanie Ellis

Item for: Information **By:** All Maintained Schools Representatives

1. Purpose of the Report

- 1.1 To provide details of the most recent financial forecast of:
- (1) The five schools which have operated throughout 2022/23 with licenced deficit budgets
 - (2) Schools that have informed West Berkshire Council they now expect to end the 2022/23 financial year with an unlicensed deficit balance on their main school budget.
- 1.2 To give an overview of the School Resource Management Advisers (SRMA) deployment scheme that three of the five licenced deficit schools took part during the autumn term 2022/23.

2. Recommendation

- 2.1 That the report be noted.

Will the recommendation require the matter to be referred to the Council or the Executive for final determination?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
---	-------------------------------	---

3. Introduction/Background

- 3.1 Schools are permitted to set a deficit budget if they meet certain conditions. This is termed a licensed deficit. The conditions of a licensed deficit are set out in the Scheme for Financing Schools (the legal contract the Council has with schools). If the conditions are not met by the school, the Council has the power to issue a Notice of Concern, which ultimately could mean removal of a school's delegation.
- 3.2 During the financial year some schools enter an unplanned financial deficit due to circumstances beyond the school's control. For example higher than budgeted inflationary pay increases, power costs etc., poor Ofsted outcomes that result in unplanned spend
- 3.3 One of the conditions schools that operate with a licensed deficit agree to is that the school will
"6) take part in a) any review the Local Authority commissions on the school's budget deficit position and recovery plan, including a Schools Resource Management Advisor deployment paid for by the DfE (this involves Governors, Headteacher and the School Business Manager/Finance Officer) "

4. Licensed Deficit Schools 2022/23

4.1 Five schools submitted a WBC Deficit Budget License Application for the financial year 2022/23. One of the five had a licensed deficit in the financial year 2021/22, the remaining four all ended 2021/22 with an unlicensed deficit balance. Two of the five expect to end the year with a surplus, one expects to end the year with a very slightly lower deficit than budgeted and the remaining two are forecasting to end the year with significantly higher deficits than budgeted. A summary is given below:

School Main School Budget+ Pupil Premium Grant + Out of Hours Club	2019/20		2020/21		2021/22		2022/23	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Forecast P9/P10
	Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)	
Basildon Primary School *	£13,720	£7,367	£11,220	£2,319	£22,290	(£18,799)	(£17,087)	(£16,773)
Inkpen Primary School #	£6,010	£15,767	£5,850	£8,819	(£14,570)	(£17,964)	£29,655	£6,416
Spurcroft Primary School	£144,820	£110,184	£20,200	(£40,624)	(£28,770)	(£79,302)	(£62,820)	(£170,628)
St Josephs Primary School #	£330	£10,468	£510	£13,993	£660	(£6,241)	(£63,731)	(£98,101)
The Kite Federation*			£4,790	£61,268	£33,310	(£35,259)	£5,647	£60,011
TOTAL Surplus/(Deficit)	£164,880	£143,786	£42,570	£45,775	£12,920	(£157,565)	(£108,336)	(£219,075)

P10 forecast figures used

* school received funding from Primary Schools in Financial Difficulty fund during 2022/23 Basildon £34,190 and The Kite £36,626

4.2 Basildon Primary School

Historic Data

School Main School Budget+ Pupil Premium Grant + Out of Hours Club	2019/20		2020/21		2021/22		2022/23	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Forecast P9/P10
	Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)	
Basildon Primary School *	£13,720	£7,367	£11,220	£2,319	£22,290	(£18,799)	(£17,087)	(£16,773)

* school received funding from Primary Schools in Financial Difficulty fund during 2022/23 Basildon £34,190

In 2020/21 a deficit of £12,959 was transferred from the school's Out of Hours Club (OoHC) to the Main School Budget (MSB). The deficit was attributed to impact of Covid-19. The transfer did not result in a deficit on the MSB but did reduce reserves.

In 2021/22 the school ended the year with a £19k deficit. This was as a result of:

- Loss of income from ceasing to let space to a local pre-school provider due to safeguarding & Internal Audit concerns,
- Cost of the school setting up and opening its own pre-school provision in September 2021,
- Two uninsured maternity covers and an unexpected mid-term resignation resulting in an agency being used to find a suitable replacement.

Although steps were taken by the school to mitigate these losses, it resulted in a year end deficit on the MSB.

P9 2022/23 Forecast Figures

School	Main School Budget (MSB)			Pupil Premium Grant (PPG)			Out of Hours Club (OoHC)			COMBINED
	2022/23 Original Budget	2022/23 P9/P10 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9/P10 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9/P10 Y/E Forecast	Variance	2022/23 P9 Y/E Forecast
	A	B	B-A=C	D	E	E-D=F	G	H	H-G=I	B+E+H
Basildon Primary School	(£22,307)	(£13,337)	£8,970	£3,290	(£3,560)	(£6,850)	£1,930	£124	(£1,806)	(£16,773)

NB Year end deficits on Pupil Premium Grant and Out of Hours Clubs are automatically transferred to the main school budget at year end

At the end of December (period 9) 2022/23, the school forecasts it will end the year with a £16,773 net deficit, £314 less than was budgeted.

If the school had not received £34,190 from the Primary School in Financial Difficulty fund (PSIFD) the forecast deficit would be £45,277, which is £28,190 in excess of the deficit budget it set for 2022/23.

As with all other schools the forecast for 2022/23 has been negatively impacted by the higher than budgeted teacher and support staff inflationary pay increases.

A SRMA deployment was carried out in the autumn term and the report submitted to the school in January 2023.

The Senior Accountant with responsibility for deficit schools will be supporting the school by scrutinising the 2023/24 budget build.

4.3 Inkpen Primary School

Historic Data

School Main School Budget+ Pupil Premium Grant + Out of Hours Club	2019/20		2020/21		2021/22		2022/23	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Forecast P9/P10
	Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)	
Inkpen Primary School #	£6,010	£15,767	£5,850	£8,819	(£14,570)	(£17,964)	£29,655	£6,416

P10 forecast figures used

In 2021/22 the school operated with a licensed deficit budget. The deficit was the result of the financial impact of a fall in pupil numbers which was not recognised early enough to put in place plans to avoid a deficit. The school ended the year with a deficit £3,394 more than budgeted, this was attributed to errors in a contractors register and unplanned maintenance costs.

P10 2022/23 Forecast Figures

School	Main School Budget (MSB)			Pupil Premium Grant (PPG)			Out of Hours Club (OoHC)			COMBINED
	2022/23 Original Budget	2022/23 P9/P10 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9/P10 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9/P10 Y/E Forecast	Variance	2022/23 P9 Y/E Forecast
	A	B	B-A=C	D	E	E-D=F	G	H	H-G=I	B+E+H
Inkpen Primary School #	£29,655	£6,416	(£23,239)							£6,416

P10 forecast figures used

In 2022/23 the school is forecasting a year end surplus of £6,416 which is £23,239 less than budgeted.

The reduction in surplus is attributed to the higher than budgeted teacher and support staff inflationary pay increases and a poor Ofsted which has resulted in additional spend to address the issues identified.

As the school is expected to end 2022/23 with a surplus it is not expected that the school will require ongoing support from Senior Accountant with responsibility for deficit schools.

4.4 Spurcroft Primary School

Historic Data

School Main School Budget+ Pupil Premium Grant + Out of Hours Club	2019/20		2020/21		2021/22		2022/23	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Forecast P9/P10
	Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)	
Spurcroft Primary School	£144,820	£110,184	£20,200	(£40,624)	(£28,770)	(£79,302)	(£62,820)	(£170,628)

In 2020/21 a deficit of £33,204 was transferred from the school's Out of Hours Club (OoHC) to the Main School Budget (MSB). The deficit was attributed to the impact of Covid-19.

In 2021/22 the deficit would have been £109,302 had the school not received £30,000 from the Primary School in Financial Difficulty fund (PSIFD) which reduced the deficit to £79,302, exceeding the budgeted deficit by £50,532.

During the year the school overspent on staff absence cover and one to one support for 1-1 and vulnerable children. Cleaning and premises staff costs were under budgeted. A new phonics scheme had to be purchased following an Ofsted visit, utility costs were higher than budgeted and unavoidable unplanned premises related costs were incurred. The school transferred a deficit of £1,622 from the OoHC to the MSB.

P9 2022/23 Forecast figures

School	Main School Budget (MSB)			Pupil Premium Grant (PPG)			Out of Hours Club (OoHC)			COMBINED
	2022/23 Original Budget	2022/23 P9/P10 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9/P10 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9/P10 Y/E Forecast	Variance	2022/23 P9 Y/E Forecast
	A	B	B-A=C	D	E	E-D=F	G	H	H-G=I	B+E+H
Spurcroft Primary School	(£70,310)	(£161,835)	(£91,525)				£7,490	(£8,793)	(£16,283)	(£170,628)

NB Year end deficits on Pupil Premium Grant and Out of Hours Clubs are automatically transferred to the main school budget at year end

At the end of December (period 9) the school forecasts a deficit of £170,628, which is an increase in deficit of £107,808.

The school was on target to end 2022/23 as planned until the end of August 2022. Since then the school has seen higher than budgeted teacher and support staff inflationary pay increases, insufficient budgets for absence cover (also impacted by a fall in number of HLTAs willing to provide cover), additional 1-1 support, use of agency staff when unable to recruit and instead of breaking even the OoHC is expected to transfer a deficit of £8,793 to MSB at the end of the year.

A SRMA deployment was carried out in the autumn term and the report submitted to the school in January 2023.

The Senior Accountant with responsibility for deficit schools has arranged to visit the school on 28th February, to discuss budget build and deficit recovery.

4.5 St Joseph's Primary School

Historic Data

School Main School Budget+ Pupil Premium Grant + Out of Hours Club	2019/20		2020/21		2021/22		2022/23	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Forecast P9/P10
	Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)	
St Josephs Primary School #	£330	£10,468	£510	£13,993	£660	(£6,241)	(£63,731)	(£98,101)

P10 forecast figures used

In 2020/21 as a result of Covid-19 the school transferred a deficit of £26,922 from the OoHC to the MSB, despite the transfer the school ended the year with a larger surplus than budgeted.

In 2021/22 the school transferred another deficit of £38,102 from the OoHC to the MSB. This deficit resulted in the school moving from a forecast surplus on MSB of £30,929 to a deficit of £6,241.

P10 2022/23 Forecast figures

School	Main School Budget (MSB)			Pupil Premium Grant (PPG)			Out of Hours Club (OoHC)			COMBINED
	2022/23 Original Budget	2022/23 P9/P10 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9/P10 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9/P10 Y/E Forecast	Variance	2022/23 P9 Y/E Forecast
	A	B	B-A=C	D	E	E-D=F	G	H	H-G=I	B+E+H
St Josephs Primary School #	(£63,731)	(£62,217)	£1,514	£0	£1	£1	£0	(£35,885)	(£35,885)	(£98,101)

NB Year end deficits on Pupil Premium Grant and Out of Hours Clubs are automatically transferred to the main school budget at year end

P10 forecast figures used

The school expects to transfer a deficit of £35,885 from the OoHC to the MSB, resulting a combined deficit of £98,101, exceeding the budgeted deficit of £63,731 by £34,370. The total cost of the OoHC deficits transferred to the school's MSB to date will be £100,909.

The school's expectation has been that the OoHC uptake would increase, returning to nearly the same level as pre Covid-19. This has not been the case and the school is now investigating other options with regard to the OoHC provision.

The school is not automatically replacing staff (including teachers) that resign. Where staff are being replaced, fixed term contracts are being used where practical.

The SBM left in mid-November and to date the school has not had any success in filling the role. The ex SBM is covering finances on a casual basis for now.

A SRMA deployment was carried out in the autumn term and the report submitted to the school in January 2023.

The Senior Accountant with responsibility for deficit schools is to visit the school to discuss budget build, deficit recovery and OoHC when informed by the Headteacher of the next meeting between the Headteacher and ex SBM.

4.6 The Kite Federation

Historic Data

School Main School Budget+ Pupil Premium Grant + Out of Hours Club	2019/20		2020/21		2021/22		2022/23	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Forecast P9/P10
	Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)	
The Kite Federation*			£4,790	£61,268	£33,310	(£35,259)	£5,647	£60,011

* school received funding from Primary Schools in Financial Difficulty fund during 2022/23 The Kite £36,626

The 2021/22 deficit was the result of an uninsured absence and settlement payment in addition to errors in the original budget.

P9 Forecast Figures

School	Main School Budget (MSB)			Pupil Premium Grant (PPG)			Out of Hours Club (OoHC)			COMBINED
	2022/23 Original Budget	2022/23 P9/P10 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9/P10 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9/P10 Y/E Forecast	Variance	2022/23 P9 Y/E Forecast
	A	B	B-A=C	D	E	E-D=F	G	H	H-G=I	B+E+H
The Kite Federation	£3,577	£58,620	£55,043				£2,070	£1,391	(£679)	£60,011

NB Year end deficits on Pupil Premium Grant and Out of Hours Clubs are automatically transferred to the main school budget at year end

At the end of December (period 9) the school forecasts it will end the year with a £60,011 surplus, £54,364 more than is in the budget. This is in part due to the federation's successful PSIFD bid for £36,626 to cover the uninsured absence and settlement payment incurred in 2021/22.

Since September 2022 the federation has allowed staff to reduce hours if requested, casual contracts that ended in December 2022 were not extended and staff leavers are not being replaced. In addition some extra grants and donations have been received.

The Senior Accountant with responsibility for deficit schools has arranged to visit the school on 8th March, to discuss budget build.

5. Schools Forecasting to end 2022/23 with an Unlicensed Deficit

5.1 Seven schools have submitted a P9 report that forecasts an unlicensed deficit on their MSB at the end of the 2022/23 financial year.

School	Main School Budget (MSB)			Pupil Premium Grant (PPG)			Out of Hours Club (OoHC)			COMBINED
	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 P9 Y/E Forecast
	A	B	B-A=C	D	E	E-D=F	G	H	H-G=I	B+E+H
Beenham Primary School	£310	(£55,663)	(£55,973)	£760	£219	(£541)	£0	£77	£77	(£55,367)
Bradfield Primary School	£4,530	(£5,065)	(£9,595)	£1,130	£15,911	£14,781	£390	(£526)	(£916)	£10,320
Brimpton Primary School	£1,590	(£31,057)	(£32,647)	£210	(£2,317)	(£2,527)	£600	£1,138	£538	(£32,236)
Bucklebury Primary School	£470	(£11,362)	(£11,832)	£1,340	£7,865	£6,525				(£3,497)
Long Lane Primary School ⁽¹⁾	£9,930	(£51,160)	(£61,090)				(£5)		£5	(£51,160)
Pangbourne Primary School ⁽²⁾	£470	(£20,177)	(£20,647)	£1,340	£381	(£959)				(£19,796)
St Finians Primary School	£6,800	(£41,926)	(£48,726)				£1,670	£135	(£1,535)	(£41,791)
TOTAL Surplus/(Deficit)	£24,100	(£216,410)	(£240,510)	£4,780	£22,059	£17,279	£2,655	£824	(£1,831)	(£193,527)

NB Year end deficits on Pupil Premium Grant and Out of Hours Clubs are automatically transferred to the main school budget at year end

(1) Out of Hours Club forecast not submitted requested 14.02.23

(2) expect deficit to reduce following corrective forecast work completed with school, await P10 reports due 22.02.23.

5.2 Beenham Primary School

Historic Data

School	2019/20		2020/21		2021/22		2022/23	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Forecast
	Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)	
Beenham Primary School	(£23,230)	(£33,847)	£340	(£363)	£2,170	£22,009	£1,070	(£55,367)

P9 2022/23 Forecast Figures

School	Main School Budget (MSB)			Pupil Premium Grant (PPG)			Out of Hours Club (OoHC)			COMBINED
	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 P9 Y/E Forecast
	A	B	B-A=C	D	E	E-D=F	G	H	H-G=I	B+E+H
	Beenham Primary School	£310	(£55,663)	(£55,973)	£760	£219	(£541)	£0	£77	£77

NB Year end deficits on Pupil Premium Grant and Out of Hours Clubs are automatically transferred to the main school budget at year end

The school previously recovered from a long term deficit but now finds itself forecasting a deficit at the end of this financial year for the following reasons:

- Financial impact of the higher than budgeted teacher and support staff inflationary pay increases,
- Long term uninsured teacher sickness absence,
- Additional unbudgeted costs incurred as a result of supporting pupils whilst applying for EHCPs,
- 1-1 children needing support at lunchtimes,
- Many costs higher than expected due to impact of high inflation,
- Unfunded costs incurred for non-Afghan refugee pupils.

In addition, the school had been told that they should budget to continue to receive funding for Afghan refugee pupils (they allowed for £13.8K in 2022/23). When the P9 forecasts were prepared no information about the funding had been received so the school did not include it in the forecast. Since then the Local Authority has received confirmation that some funding for these children will be made available this financial year but there is no indication as to when, how much or how it will be allocated.

The Senior Accountant with responsibility for deficit schools has arranged to visit the school on 1st March, to discuss budget build and deficit recovery.

5.3 Bradfield Primary School

Historic Data

School	2019/20		2020/21		2021/22		2022/23	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Forecast
	Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)	
Bradfield Primary School	£13,570	£1,316	(£7,940)	£11,950	£29,810	£14,154	£6,050	£10,320

P9 2022/23 Forecast Figures

School	Main School Budget (MSB)			Pupil Premium Grant (PPG)			Out of Hours Club (OoHC)			COMBINED
	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 P9 Y/E Forecast
	A	B	B-A=C	D	E	E-D=F	G	H	H-G=I	B+E+H
Bradfield Primary School	£4,530	(£5,065)	(£9,595)	£1,130	£15,911	£14,781	£390	(£526)	(£916)	£10,320

NB Year end deficits on Pupil Premium Grant and Out of Hours Clubs are automatically transferred to the main school budget at year end

Subsequent to submission of the P9 forecast, the SBM has identified some contract costs that have been miscoded to the Main School Budget. The school believe once corrected the deficit will be cleared.

5.4 Brimpton Primary School

Historic Data

School	2019/20		2020/21		2021/22		2022/23	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Forecast
	Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)	
Brimpton Primary School	£9,070	£16,249	£1,370	£22,044	£33,480	£11,748	£2,400	(£32,236)

P9 2022/23 Forecast Figures

School	Main School Budget (MSB)			Pupil Premium Grant (PPG)			Out of Hours Club (OoHC)			COMBINED
	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 P9 Y/E Forecast
	A	B	B-A=C	D	E	E-D=F	G	H	H-G=I	B+E+H
Brimpton Primary School	£1,590	(£31,057)	(£32,647)	£210	(£2,317)	(£2,527)	£600	£1,138	£538	(£32,236)

NB Year end deficits on Pupil Premium Grant and Out of Hours Clubs are automatically transferred to the main school budget at year end

The forecast deficit seems to be the result of financial impact of the higher than budgeted teacher and support staff inflationary pay increases, cover required for long term absence of a TA, inflationary increase in costs and multiple overspends.

The Senior Accountant with responsibility for deficit schools is to work with the school to improve robustness of budget build and help plan a deficit recovery.

5.5 Bucklebury Primary School

Historic Data

School	2019/20		2020/21		2021/22		2022/23	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Forecast
	Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)	
Bucklebury Primary School	£210	(£15,508)	£440	£27,102	£1,090	£11,560	£1,810	(£3,497)

P9 2022/23 Forecast Figures

School	Main School Budget (MSB)			Pupil Premium Grant (PPG)			Out of Hours Club (OoHC)			COMBINED
	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 P9 Y/E Forecast
	A	B	B-A=C	D	E	E-D=F	G	H	H-G=I	B+E+H
Bucklebury Primary School	£470	(£11,362)	(£11,832)	£1,340	£7,865	£6,525				(£3,497)

NB Year end deficits on Pupil Premium Grant and Out of Hours Clubs are automatically transferred to the main school budget at year end

The Finance Officer has been catching up on the school's finances since she joined the school in September 2022, so with the agreement of the WBC Schools

Accountancy team the P9 forecast was not submitted until 13th February (deadline was 18th January).

For this reason the submission had not been reviewed by the Senior Accountant with responsibility for deficit schools prior to this report being written. Once the review is complete, contact will be made with the school to offer support with budget build and deficit recovery.

5.6 Long Lane Primary School

Historic Data

School	2019/20		2020/21		2021/22		2022/23	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Forecast
Main School Budget+ Pupil Premium Grant + Out of Hours Club	Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)	
Long Lane Primary School ⁽¹⁾	£31,700	£28,176	£13,740	£13,849	£28,190	£10,279	£9,925	(£51,160)

(1) Out of Hours Club forecast not submitted requested 14.02.23

P9 2022/23 Forecast Figures

School	Main School Budget (MSB)			Pupil Premium Grant (PPG)			Out of Hours Club (OoHC)			COMBINED
	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 P9 Y/E Forecast
	A	B	B-A=C	D	E	E-D=F	G	H	H-G=I	B+E+H
Long Lane Primary School ⁽¹⁾	£9,930	(£51,160)	(£61,090)				(£5)		£5	(£51,160)

NB Year end deficits on Pupil Premium Grant and Out of Hours Clubs are automatically transferred to the main school budget at year end

(1) Out of Hours Club forecast not submitted requested 14.02.23

In 2020/21 and 2021/22 the school transferred deficits of £18,568 and £1,489 from the OoHC to the MSB.

Early in 2022/23 the OoHC was closed as planned and a deficit of £8,669 was transferred to the MSB, exceeding the budget allowed for the closure by £4.1k. The school did not submit a bid to the PSIFD to cover the redundancy costs incurred.

The school states that the forecast deficit of £51,160 is the result of the financial impact of the higher than budgeted teacher and support staff inflationary pay increases, some TA contracts being changed to HLTA contracts mid-year, cost of covering absences, unplanned but unavoidable repairs to premises and kitchen, water, energy, school meals and PPG costs under budgeted and unbudgeted Health & Safety buy back. In turn this has been offset by some unbudgeted/additional income/funding for example unbudgeted PPG from another authority, successful insurance claims, funding for Ukraine refugee pupils.

The Senior Accountant with responsibility for deficit schools has emailed the school to arrange a visit to work with both the new Head Teacher and retiring SBM on the budget build and to help plan for deficit recovery.

5.7 Pangbourne Primary School

Historic Data

School	2019/20		2020/21		2021/22		2022/23	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Forecast P9/P10
Main School Budget+ Pupil Premium Grant + Out of Hours Club	Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)	
Pangbourne Primary School	£13,890	£23,320	£5,090	£18,220	£100	£11,766	£750	(£19,796)

P9 2022/23 Forecast Figures

School	Main School Budget (MSB)			Pupil Premium Grant (PPG)			Out of Hours Club (OoHC)			COMBINED
	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 P9 Forecast
	A	B	B-A=C	D	E	E-D=F	G	H	H-G=I	B+E+H
Pangbourne Primary School (2)	£740	(£20,177)	(£20,917)	£10	£381	£371				(£19,796)

NB Year end deficits on Pupil Premium Grant and Out of Hours Clubs are automatically transferred to the main school budget at year end

(2) expect deficit to reduce following corrective forecast work completed with school, await P10 reports due 22.02.23.

The review of the P9 forecast identified some errors that once corrected are expected to reduce the deficit significantly.

The school has been asked to submit the P10 forecast to the Senior Accountant with responsibility for deficit schools by the 22nd February so an accurate forecast can be used to determine next steps.

5.8 St Finians Primary School

Historic data

School	2019/20		2020/21		2021/22		2022/23	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Forecast
Main School Budget+ Pupil Premium Grant + Out of Hours Club	Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)		Surplus/(Deficit)	
St Finians Primary School	(£77,150)	(£40,599)	(£34,310)	(£20,657)	£4,820	£1,675	£8,470	(£41,791)

P9 2022/23 Forecast Figures

School	Main School Budget (MSB)			Pupil Premium Grant (PPG)			Out of Hours Club (OoHC)			COMBINED
	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9 Y/E Forecast	Variance	2022/23 P9 Y/E Forecast
	A	B	B-A=C	D	E	E-D=F	G	H	H-G=I	B+E+H
St Finians Primary School	£6,800	(£41,926)	(£48,726)				£1,670	£135	(£1,535)	(£41,791)

NB Year end deficits on Pupil Premium Grant and Out of Hours Clubs are automatically transferred to the main school budget at year end

The school previously recovered from a long term deficit but now finds itself forecasting a deficit for the end of this financial year for the following reasons:

- Financial impact of the higher than budgeted teacher and support staff inflationary pay increases,
- Increases to the FTE of teachers, TAs and LTCs due to increasing needs of pupils,
- Unidentified training needs for imminent dioceses inspection,
- Under budgeted for energy costs.

The Senior Accountant with responsibility for deficit schools will contact the school after the half term break to arrange a visit to assist with budget build and deficit recovery plans.

6. School Resource Management Adviser (SRMA) deployment

- 6.1 A School Resource Management Adviser (SRMA) is an independent accredited expert with experience in the management of resources in the education sector, deployed but not employed by the Education and Skills Funding Agency (EFSA). They offer all schools and academy trusts, whatever their financial position, the opportunity to access free support from experienced school business leaders. This tailored advice and peer-to-peer support can help school leaders to identify opportunities to make better use of their funding, enabling them to target resources where they will have the most impact on outcomes for children. Using this free resource allows schools and the Local Authority (LA) to access those with experience outside the LA to determine if the schools and/or the LA are missing opportunities to use resources more efficiently.
- 6.2 A deployment consists of:
- (1) An initial review of the school's financial information and metrics. From time to time throughout the process the SRMA will request data from the school and/or LA to assist with the review.
 - (2) Meetings with the Senior Leadership Team (including the SBM), governors and LA to better understand the school's position.
 - (3) Use by SRMA of school resource management tools and guidance available in order to provide advice and support.
 - (4) A meeting with Senior Leadership Team (including the SBM), governors and LA (if appropriate) to discuss findings/recommendations. There is no requirement for schools to accept and act upon the findings.
 - (5) A report is produced and once quality assured, shared with the LA and school.
 - (6) Approximately six months after the report is distributed, schools are asked to complete an evaluation. This helps the school track progress and helps the department to measure the impact of the programme.
- 6.3 In 2020/21 two primary schools were asked by West Berkshire Council (WBC) to participate in the scheme in order that the process could be better understood. In 2021/22 a third school took part. A summary of the feedback is attached at Appendix A – SRMA evaluation sheet summary. To date none of the suggestions made have been over and above those identified by the LA and/or the school, this in itself is reassuring as the actions are being identified locally at an earlier date.
- 6.4 In 2022/23 willingness to participate in the SRMA programme at the LA's discretion become a condition of licencing a deficit budget and three of the five establishments with licenced deficits in the current financial year took part during the autumn term. Reports were received in January 2023.
- 6.5 It is a requirement that any maintained school wishing to access this resource has the support of the LA, this may limit the number of schools able to take part at any one time.

The most recent School resource management advisers: information for local authorities and maintained schools guidance can be found at

<https://www.gov.uk/government/publications/the-school-resource-management-advisers-srma-programme/school-resource-management-advisers-information-for-local-authorities-and-maintained-schools>

7. Conclusion

7.1 The table below summarises the forecasts, with nine schools forecasting a total deficit of £489k, and three schools forecasting a surplus of £77k. Monitoring will continue until year end, and a report on the final position will be produced.

School	Main School Budget (MSB)			Pupil Premium Grant (PPG)			Out of Hours Club (OoHC)			COMBINED
	2022/23 Original Budget	2022/23 P9/P10 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9/P10 Y/E Forecast	Variance	2022/23 Original Budget	2022/23 P9/P10 Y/E Forecast	Variance	2022/23 P9 Y/E Forecast
	A	B	B-A=C	D	E	E-D=F	G	H	H-G=I	B+E+H
Basildon Primary School	(£22,307)	(£13,337)	£8,970	£3,290	(£3,560)	(£6,850)	£1,930	£124	(£1,806)	(£16,773)
Beenham Primary School	£310	(£55,663)	(£55,973)	£760	£219	(£541)	£0	£77	£77	(£55,367)
Brimpton Primary School	£1,590	(£31,057)	(£32,647)	£210	(£2,317)	(£2,527)	£600	£1,138	£538	(£32,236)
Bucklebury Primary School	£470	(£11,362)	(£11,832)	£1,340	£7,865	£6,525				(£3,497)
Long Lane Primary School ⁽¹⁾	£9,930	(£51,160)	(£61,090)				(£5)	£0	£5	(£51,160)
Pangbourne Primary School ⁽²⁾	£740	(£20,177)	(£20,917)	£10	£381	£371				(£19,796)
Spurcroft Primary School	(£70,310)	(£161,835)	(£91,525)				£7,490	(£8,793)	(£16,283)	(£170,628)
St Finians Primary School	£6,800	(£41,926)	(£48,726)				£1,670	£135	(£1,535)	(£41,791)
St Josephs Primary School #	(£63,731)	(£62,217)	£1,514	£0	£1	£1	£0	(£35,885)	(£35,885)	(£98,101)
TOTAL (Deficit)	(£136,508)	(£448,734)	(£312,226)	£5,610	£2,589	(£3,021)	£11,685	(£43,204)	(£54,889)	(£489,349)
Bradfield Primary School	£4,530	(£5,065)	(£9,595)	£1,130	£15,911	£14,781	£390	(£526)	(£916)	£10,320
Inkpen Primary School #	£29,655	£6,416	(£23,239)							£6,416
The Kite Federation	£3,577	£58,620	£55,043				£2,070	£1,391	(£679)	£60,011
TOTAL Surplus	£37,762	£59,971	£22,209	£1,130	£15,911	£14,781	£2,460	£865	(£1,595)	£76,747
TOTAL Surplus/(Deficit)	(£98,746)	(£388,763)	(£290,017)	£6,740	£18,500	£11,760	£14,145	(£42,339)	(£56,484)	(£412,602)

N.B Year end deficits on Pupil Premium Grant and Out of Hours Clubs are automatically transferred to the main school budget at year end

P10 forecast figures used

(1) Out of Hours Club forecast not submitted requested 14.02.23

(2) expect deficit to reduce following corrective forecast work completed with school, await P10 reports due 22.02.23.

8. Appendices

8.1 Appendix A – SRMA evaluation sheet summary