

# Appendix C: MNS Review

## Financial Analysis ‘Sensitive’

### Annual Budgets 2019/20 to 2025/26

|                       | CROSFIELD | PURLEY    | SELHURST  | THORNTON HEATH | TUNSTALL | TOTAL     |
|-----------------------|-----------|-----------|-----------|----------------|----------|-----------|
| 2019/20 - Final       | -£28,723  | £87,919   | -£8,658   | £58,958        | £10,454  | £119,950  |
| 2020/21 - Final       | -£86,970  | £12,570   | -£192,261 | £72,746        | -£68,435 | -£262,350 |
| 2021/22 - Final       | -£86,630  | -£48,626  | -£182,488 | £120,916       | -£36,679 | -£233,507 |
| 2022/23 - Final       | -£216,064 | -£84,641  | -£268,983 | £120,916       | -£34,012 | -£482,784 |
| 2023/24 - Budget      | -£334,069 | -£123,354 | -£284,309 | £81,144        | -£38,116 | -£698,704 |
| 2023/24 - Provisional | -£283,223 | £24,000   | -£182,380 | £59,863        | £74,000  | -£307,740 |
| 2024/25 - Forecast    | -£209,462 | £43,411   | -£120,787 | £93,307        | £121,921 | -£71,610  |
| 2025/26 - Forecast    | -£151,171 | £49,594   | -£112,355 | £93,654        | £163,514 | £43,236   |

### Commentary:

In both 2021/22 and 2022/23, four of the five MNS were in a deficit position. This may partly be attributed to the impact of the COVID pandemic, which resulted in partial school closures and/or families opting to keep their young children at home.

Only one MNS, Thornton Heath, has maintained a positive financial position throughout.

Both Purley and Tunstall MNS have moved into surplus positions during 2023/24. This has been achieved via a combination of expenditure efficiencies (including lean management arrangements) and income generation. Both schools have been subject to the LA's deficit school budget monitoring programme.

Both schools within the Crosfield and Selhurst Federation, remain in deficit with the deficit at Crosfield increasing this year. Analysis of expenditure (see below) suggests that the federation has a higher-than-average staffing cost model. However, this is complicated by the federation also holding the Children's Centre contracts for north and central, meaning that leadership and management costs that should be attributed to the Children's Centre are applied to the school's budgets.

Crosfield and Selhurst Federation schools have received the highest levels of support. This includes receipt of £61,638 DfE 'hardship' funding in 2023/24, an external independent financial review during summer 2023 (commissioned and paid for by the LA) and DfE SRMA support.

**ANALYSIS OF REVENUE BUDGETS AS AT Q3 2023/24**

| REVENUE FORECAST - Q3 2023-24                    | CROSFIELD        | PURLEY          | SELHURST         | THORNTON HEATH  | TUNSTALL        | TOTAL/ AVE %      |
|--|------------------|-----------------|------------------|-----------------|-----------------|-------------------|
| <b>CATEGORY</b>                                  | <b>£</b>         |                 |                  |                 |                 |                   |
| <b>SUMMARY</b>                                   |                  |                 |                  |                 |                 |                   |
| Revenue Income                                   | £563,429         | £747,564        | £498,153         | £846,821        | £737,021        | £3,392,988        |
| Revenue Expenditure                              | £659,984         | £728,689        | £529,768         | £813,441        | £618,706        | £3,350,588        |
| Revenue in year surplus/deficit                  | <b>-£96,555</b>  | £18,875         | <b>-£31,615</b>  | £33,380         | £118,315        | £42,400           |
| Balance B/fwd from 2022/23                       | <b>-£216,064</b> | <b>-£84,641</b> | <b>-£268,983</b> | £81,060         | <b>-£34,012</b> | <b>-£522,640</b>  |
| <b>Revenue c/fwd to 2024/25</b>                  | <b>-£312,618</b> | <b>-£65,766</b> | <b>-£300,598</b> | <b>£114,440</b> | <b>£84,303</b>  | <b>-£480,239</b>  |
| <b>Number of sessions filled as at Jan-24</b>    | <b>86</b>        | <b>124</b>      | <b>66</b>        | <b>117</b>      | <b>142</b>      | <b>535</b>        |
| <b>Number of pupils with SEN as at Jan-24</b>    | <b>12</b>        | <b>26</b>       | <b>20</b>        | <b>27</b>       | <b>24</b>       | <b>109</b>        |
| <b>Total staff costs</b>                         | <b>£522,718</b>  | <b>£474,877</b> | <b>£421,177</b>  | <b>£510,706</b> | <b>£471,439</b> | <b>£2,400,917</b> |
| <b>As a % of revenue income</b>                  | <b>92.77%</b>    | <b>63.52%</b>   | <b>84.55%</b>    | <b>60.31%</b>   | <b>63.97%</b>   | <b>70.76%</b>     |
| Ranking (highest 1 to lowest 5)                  | 1                | 4               | 2                | 5               | 3               |                   |
| Including recharge (other supplies and services) | £522,718         | £474,877        | £421,177         | £608,706        | £528,439        | £2,555,917        |
| As a % of revenue income                         | 92.77%           | 63.52%          | 84.55%           | 71.88%          | 71.70%          | 75.33%            |
| Ranking (highest 1 to lowest 5)                  | 1                | 5               | 2                | 3               | 4               |                   |
| Of which:  |                  |                 |                  |                 |                 |                   |
| Teaching staff                                   | £231,455         | £158,209        | £101,587         | £70,381         | £99,959         | £661,591          |
| As a % of revenue income                         | 41.08%           | 21.16%          | 20.39%           | 8.31%           | 13.56%          | 19.50%            |
| Including recharge (other supplies and services) | £231,455         | £158,209        | £101,587         | £168,381        | £156,959        | £816,591          |
|  | 41.08%           | 21.16%          | 20.39%           | 19.88%          | 21.30%          | 24.07%            |
| Education support staff                          | £205,795         | £251,718        | £236,794         | £385,624        | £292,018        | £1,371,949        |
| As a % of revenue income                         | 36.53%           | 33.67%          | 47.53%           | 45.54%          | 39.62%          | 40.43%            |
| Admin and clerical staff                         | £53,807          | £55,929         | £22,176          | £41,090         | £57,002         | £230,004          |
| As a % of revenue income                         | 9.55%            | 7.48%           | 4.45%            | 4.85%           | 7.73%           | 6.78%             |
| Premises staff                                   | £23,603          | £0              | £57,761          | £0              | £7,859          | £89,223           |
| As a % of revenue income                         | 4.19%            | 0.00%           | 11.60%           | 0.00%           | 1.07%           | 2.63%             |
| All other staff costs                            | £8,059           | £9,020          | £2,859           | £13,611         | £14,601         | £48,150           |
| As a % of revenue income                         | 1.43%            | 1.21%           | 0.57%            | 1.61%           | 1.98%           | 1.42%             |
| <b>OTHER EXPENDITURE</b>                         |                  |                 |                  |                 |                 |                   |
| Premises and occupancy costs                     | £28,359          | £66,514         | £39,107          | £75,064         | £59,887         | £268,931          |
| Educational supplies and services                | £26,466          | £11,786         | £13,103          | £14,160         | £12,688         | £78,203           |
| Other supplies and services                      | £82,440          | £175,513        | £56,381          | £133,511        | £74,692         | £522,537          |
| Misc   | £0               | £0              | £0               | £80,000         | £0              | £80,000           |
| <b>Total</b>                                     | <b>£137,265</b>  | <b>£253,813</b> | <b>£108,591</b>  | <b>£302,735</b> | <b>£147,267</b> | <b>£949,671</b>   |

**Observations:**

Selhurst and Crosfield MNS have the highest staff costs as a proportion of staff expenditure against income. Teaching staff costs at Crosfield are particularly high.

There are no premises staff costs at Purley, Thornton Heath and Tunstall MNS. This suggests that these functions and costs are being absorbed by other MNS staff and/or by the partner schools.

The deficit at Purley in Q3 has moved to a surplus in Q4 because of historic accounting adjustments/accruals that have been removed, additional DfE Hardship funding (£6k) and growth in pupils and wrap around provision.